

ELLIMAN REPORT

MANHATTAN

- Second highest median rental price reached in over 5 years** Median rental price increased 1.6% to \$3,247 from the same period last year to the second highest level in more than 5 years. This was the second consecutive year-over-year monthly increase after 6 consecutive months of decline, largely attributable to a higher than normal sales volume in 2013. The robust sales market provided competition, poaching some rental demand as “fence-sitters” concerned about rising mortgage rates opted to purchase. Average rental price rose 5.1% to \$4,008, the second time the \$4,000 threshold was exceeded in the past 4 years. The overall rise in rental prices was largely seen in the studio and 1-bedroom markets with year-over-year gains of 4.2% and 1.4% respectively.

- Landlord concessions remained limited as marketing times fell** While the market share for transactions with landlord concessions increased to 6.8% from 4.7% in the same period last year, they fell from 9.4% in the prior month and their use has been trending lower since a recent high of 13.1% was reached in January. Days on market averaged 47 days, one week faster than the same month last year. Listing discount was 2.7%, essentially unchanged over the same period.

- The Manhattan vacancy rate for April was the lowest in four years** The average Manhattan vacancy rate fell to 1.45% from 1.58% in the same month last year. The vacancy rate is the lowest April rate since 2010.

Manhattan Rental Market	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$4,008	1.0%	\$3,968	5.1%	\$3,815
Rental Price per Square Foot	\$52.66	2.7%	\$51.30	3.0%	\$51.15
Median Rental Price	\$3,247	1.5%	\$3,200	1.6%	\$3,195
Number of New Rentals	4,021	3.2%	3,897	-6.2%	4,287
Days on Market (From Original List Date)	47	-6.0%	50	-13.0%	54
Listing Discount (From Original List Price)	2.7%		2.4%		2.8%
Listing Inventory	5,503	1.5%	5,422	-3.0%	5,674

(Face Rent)

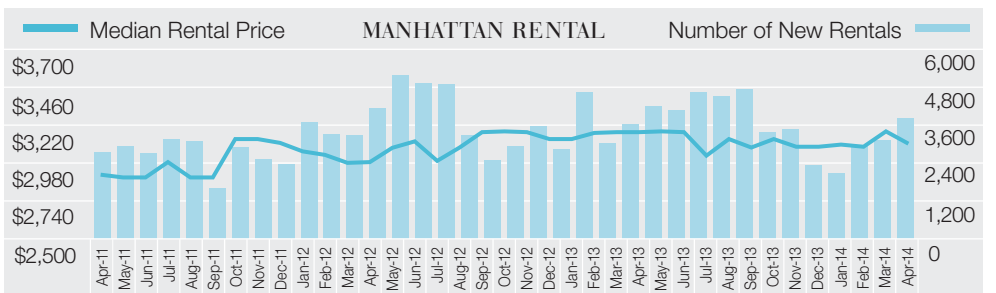
Manhattan Rental w/Concessions	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$3,986	1.3%	\$3,936	4.9%	\$3,799
Rental Price per Square Foot	\$52.37	2.9%	\$50.89	2.8%	\$50.93
Median Rental Price	\$3,229	1.7%	\$3,174	1.5%	\$3,181
Number of New Rentals w/Concessions (%)	6.8%		9.4%		4.7%
Free Rent/Owner Paid (Mos)	1.0	0.0%	1.0	-9.1%	1.1

(Net Effective Rent)

Manhattan Vacancy Rate	APR-14	MAR-14	APR-13
Manhattan	1.45%	1.68%	1.58%
<i>Downtown</i>	1.84%	2.00%	1.47%
<i>East Side</i>	1.20%	1.20%	1.04%
<i>West Side</i>	1.37%	2.16%	2.22%
<i>Uptown</i>	0.80%	0.89%	1.86%

Manhattan Median Rental Price by Property Type	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Doorman	\$3,625	-1.4%	\$3,675	3.2%	\$3,513
Non-Doorman	\$2,738	4.7%	\$2,615	0.6%	\$2,721
Loft	\$5,171	-0.5%	\$5,195	4.3%	\$4,960
Luxury [Top 10%]	\$8,000	-3.2%	\$8,262	8.1%	\$7,402
Super-Luxury [Top 5%]	\$11,192	-5.4%	\$11,831	14.8%	\$9,750
New Development	\$4,275	3.9%	\$4,114	12.6%	\$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

• **Rental price indicators for smaller units increased**

While the median rental price for the overall market expanded 2.8% from the same period last year, weakness in price trends were seen in larger transactions. Studio median rental price increased 3.4% from the same period a month ago; 1-bedrooms edged up 0.3%, 2-bedrooms fell 9.5%; 3-bedrooms fell 4.7%

• **The number of new rentals remained stable**

The number of new rentals slipped 1.7% from the same period last year, indicating the tenants were less willing to seek more affordable alternatives at the time of lease renewal. More resistance to rising rents was seen in the larger size categories.

• **The downtown vacancy rate continued to expand**

The average Downtown vacancy rate increased to 1.84% from 1.47%, the highest of the four Manhattan regions.

Downtown Studio	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$2,830	3.4%	\$2,736	3.5%	\$2,733
Rental Price per Square Foot	\$58.69	0.7%	\$58.27	2.3%	\$57.36
Median Rental Price	\$2,698	1.8%	\$2,650	3.4%	\$2,610
Number of New Rentals	494	1.9%	485	-5.9%	525

Downtown 1-Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$3,762	2.3%	\$3,678	2.9%	\$3,655
Rental Price per Square Foot	\$58.21	5.3%	\$55.30	5.2%	\$55.33
Median Rental Price	\$3,500	0.0%	\$3,500	0.3%	\$3,490
Number of New Rentals	771	-5.3%	814	-6.8%	827

Downtown 2-Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$5,322	-3.6%	\$5,521	-6.4%	\$5,683
Rental Price per Square Foot	\$53.05	-2.0%	\$54.16	-4.9%	\$55.77
Median Rental Price	\$4,795	-4.0%	\$4,995	-9.5%	\$5,300
Number of New Rentals	423	2.9%	411	6.0%	399

Downtown 3+ Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$8,715	-1.5%	\$8,851	-2.4%	\$8,927
Rental Price per Square Foot	\$56.62	-1.1%	\$57.23	-5.2%	\$59.74
Median Rental Price	\$5,714	-15.9%	\$6,795	-4.7%	\$5,995
Number of New Rentals	144	39.8%	103	27.4%	113

EAST SIDE

• **All rental price indicators were above prior year levels**

Median rental price increased 3.3% to \$2,995 from the same period last year. Average rental price expanded 11% to \$3,911 over the same period. All size categories posted gains in median rental price over the same period.

• **The number of new rentals fell across all size categories**

The number of new rentals fell 17.3% to 1,084 transactions from the same period last year. All size categories showed similar patterns. New studio rentals fell from same month last year by 18.8%; 1-bedrooms fell 12.9%; 2-bedrooms fell 26.4%; 3-bedrooms fell 12.1%.

• **The vacancy rate continued to move higher**

The East Side vacancy rate remained low, but moved higher, rising to 1.2% from 1.04% in the same period last year.

East Side Studio	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$2,431	9.2%	\$2,227	7.8%	\$2,255
Rental Price per Square Foot	\$47.83	-8.9%	\$52.49	-8.9%	\$52.52
Median Rental Price	\$2,281	7.3%	\$2,125	8.6%	\$2,100
Number of New Rentals	276	-6.1%	294	-18.8%	340

East Side 1-Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$3,238	3.3%	\$3,135	7.6%	\$3,009
Rental Price per Square Foot	\$52.32	4.5%	\$50.08	7.4%	\$48.72
Median Rental Price	\$3,000	0.0%	\$3,000	1.5%	\$2,956
Number of New Rentals	519	-11.9%	589	-12.9%	596

East Side 2-Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$4,935	-4.4%	\$5,164	0.9%	\$4,889
Rental Price per Square Foot	\$49.39	-5.4%	\$52.21	2.6%	\$48.12
Median Rental Price	\$4,495	-6.2%	\$4,791	3.4%	\$4,348
Number of New Rentals	209	-23.2%	272	-26.4%	284

East Side 3+ Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$10,704	-20.0%	\$13,380	45.4%	\$7,360
Rental Price per Square Foot	\$64.14	-5.9%	\$68.16	28.0%	\$50.09
Median Rental Price	\$8,600	-18.1%	\$10,500	56.9%	\$5,480
Number of New Rentals	80	25.0%	64	-12.1%	91

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

- Rental price indicators were up in nearly all categories** Median rental price rose 6.4% to \$3,405 from the same period last year. Average rental price and average rental price per square foot increased 10.2% and 14.8% respectively over the same period. All size categories showed year-over-year trends in rental price indicators.
- The number of new rentals fell from prior year levels** The overall number of new rentals were 12.2% below prior year levels. Studio, 1-bedroom and 2-bedroom rentals showed a 13.5%, 14.9% and 9.3% decline from the same period last year reflecting less resistance to current rent levels. The 3-bedroom rental market showed no change from prior year levels.
- The West Side vacancy rate fell by nearly half** The average West Side vacancy rate fell to 1.37% from 2.22% in the same month last year.

West Side Studio	APR-14	%Chg (mo)	MAR-14	%Chg (YR)	APR-13
Average Rental Price	\$2,574	11.9%	\$2,301	8.9%	\$2,364
Rental Price per Square Foot	\$62.82	23.6%	\$50.81	3.6%	\$60.64
Median Rental Price	\$2,500	11.3%	\$2,246	8.7%	\$2,300
Number of New Rentals	186	56.3%	119	-13.5%	215

West Side 1-Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (YR)	APR-13
Average Rental Price	\$3,397	2.2%	\$3,323	2.2%	\$3,324
Rental Price per Square Foot	\$55.30	2.4%	\$53.99	-1.9%	\$56.38
Median Rental Price	\$3,391	2.9%	\$3,295	3.2%	\$3,287
Number of New Rentals	372	39.8%	266	-14.9%	437

West Side 2-Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (YR)	APR-13
Average Rental Price	\$5,453	-6.0%	\$5,798	19.4%	\$4,566
Rental Price per Square Foot	\$59.63	-0.2%	\$59.75	25.1%	\$47.67
Median Rental Price	\$5,100	-3.5%	\$5,283	19.9%	\$4,252
Number of New Rentals	185	20.1%	154	-9.3%	204

West Side 3+ Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (YR)	APR-13
Average Rental Price	\$9,934	-5.4%	\$10,497	3.8%	\$9,566
Rental Price per Square Foot	\$67.52	6.3%	\$63.49	47.3%	\$45.84
Median Rental Price	\$7,436	-20.3%	\$9,325	-9.0%	\$8,168
Number of New Rentals	68	25.9%	54	0.0%	68

UPTOWN

- Rental price indicators were mixed, showing some stability** Median rental price was essentially unchanged at \$2,000, slipping a nominal 0.3% from the same period last year. The remaining indicators offset each other with the average rental price falling 4.9% and rental price per square foot rising 20.1% over the same period.
- The number of new rentals surged across all categories** Resistance to elevated rent levels was evident in the resistance to rental rates at the time of renewal. The overall number of new rentals surged 70.9% and all size categories showed double-digit gains.
- Uptown remained the tightest market** The average vacancy rate for the Uptown region was 0.8%, down sharply from 1.86% in the same period last year. The vacancy rate has remained below 1% for 7 of the past 8 months.

Uptown Studio	APR-14	%Chg (mo)	MAR-14	%Chg (YR)	APR-13
Average Rental Price	\$1,595	1.1%	\$1,577	-3.6%	\$1,654
Rental Price per Square Foot	\$43.35	-1.1%	\$43.82	68.3%	\$25.75
Median Rental Price	\$1,585	2.3%	\$1,550	21.6%	\$1,303
Number of New Rentals	36	24.1%	29	63.6%	22

Uptown 1-Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (YR)	APR-13
Average Rental Price	\$1,887	1.6%	\$1,857	11.7%	\$1,689
Rental Price per Square Foot	\$32.12	2.2%	\$31.43	16.6%	\$27.55
Median Rental Price	\$1,850	4.2%	\$1,776	12.5%	\$1,644
Number of New Rentals	103	-4.6%	108	110.2%	49

Uptown 2-Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (YR)	APR-13
Average Rental Price	\$2,409	2.7%	\$2,346	-7.0%	\$2,589
Rental Price per Square Foot	\$31.64	8.6%	\$29.14	1.5%	\$31.18
Median Rental Price	\$2,218	0.8%	\$2,200	-7.3%	\$2,393
Number of New Rentals	113	11.9%	101	68.7%	67

Uptown 3+ Bedroom	APR-14	%Chg (mo)	MAR-14	%Chg (YR)	APR-13
Average Rental Price	\$3,219	-0.1%	\$3,221	-3.0%	\$3,317
Rental Price per Square Foot	\$34.85	20.2%	\$29.00	21.1%	\$28.77
Median Rental Price	\$2,985	-9.5%	\$3,298	10.8%	\$2,695
Number of New Rentals	42	23.5%	34	23.5%	34

Brooklyn rental market by **SIZE**

BROOKLYN

- **Median rental price has been rising year-over-year since July**

The 11th consecutive increase, median rental price increased 3.9% to \$2,805 from the same month last year, but fell 3.3% from the prior month record of \$2,900. Average rental price followed a similar pattern rising 6.4% to \$3,209 over the same period. Despite the rising trend, month over month rental price trends for all indicators have showed relative stability since the beginning of the year.

- **Number of new rentals were up sharply**

There were 561 new rentals in the month, up 57.1% from the same period last year as rising rents pressed tenants to seek out improved affordability elsewhere rather than renew their lease. The number of new rentals has shown very high year-over-year gains since the beginning of the year.

- **Marketing times and negotiability have remained stable in the new year**

Listing discount expanded to 3.6% from 1.2% in the same period last year, but remained consistent with the prior few months. Days on market showed a similar trend, rising to by 11 days to an average of 48 days over the same period. However marketing times have essentially remained stable over the past three months.

- **The prices of smaller sized rentals saw larger gains**

Studio rentals saw an 8.5% year-over-year median rental price rise increase, the largest of all the size categories. The median rental price of the 1-bedroom and 2-bedroom markets increased 7.3% and 2.6% respectively while the 3-bedroom market fell 9.8% over the same period.

Brooklyn Rental Market	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$3,209	-1.4%	\$3,254	6.4%	\$3,017
Rental Price per Square Foot	\$40.30	2.1%	\$39.46	0.0%	\$40.31
Median Rental Price	\$2,805	-3.3%	\$2,900	3.9%	\$2,700
Number of New Rentals	561	-34.3%	854	57.1%	357
Days on Market (From Original List Date)	48	11.6%	43	29.7%	37
Listing Discount (From Original List Price)	3.6%		3.0%		1.2%

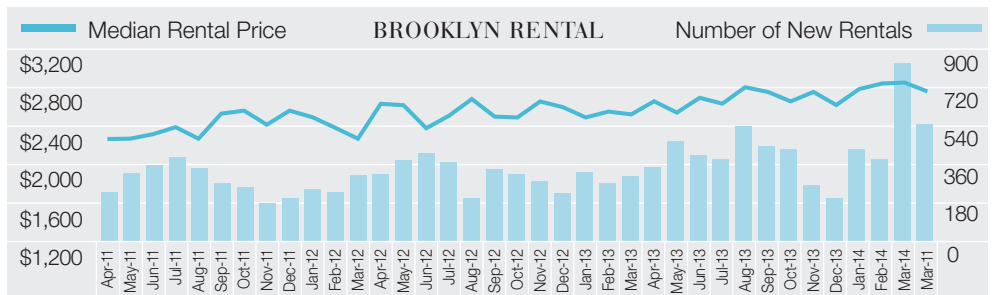
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Brooklyn Studio Rental Matrix	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$2,309	3.9%	\$2,222	9.4%	\$2,110
Rental Price per Square Foot	\$45.30	-1.7%	\$46.06	5.3%	\$43.03
Median Rental Price	\$2,200	1.1%	\$2,175	8.5%	\$2,028
Number of New Rentals	85	0.0%	85	66.7%	51

Brooklyn 1-Bedroom Rental Matrix	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$2,778	-0.6%	\$2,795	9.7%	\$2,532
Rental Price per Square Foot	\$40.54	-2.6%	\$41.64	0.0%	\$40.55
Median Rental Price	\$2,654	-3.4%	\$2,747	7.3%	\$2,473
Number of New Rentals	242	-34.2%	368	82.0%	133

Brooklyn 2-Bedroom Rental Matrix	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$3,625	1.9%	\$3,556	7.3%	\$3,378
Rental Price per Square Foot	\$37.36	-7.7%	\$40.48	-6.3%	\$39.87
Median Rental Price	\$3,267	0.2%	\$3,261	2.6%	\$3,183
Number of New Rentals	180	-41.4%	307	32.4%	136

3+-Bedroom Rental Matrix	APR-14	%Chg (mo)	MAR-14	%Chg (yr)	APR-13
Average Rental Price	\$5,170	3.4%	\$5,001	10.4%	\$4,681
Rental Price per Square Foot	\$46.17	24.9%	\$36.98	21.2%	\$38.10
Median Rental Price	\$4,057	-8.8%	\$4,450	-9.8%	\$4,500
Number of New Rentals	54	-42.6%	94	45.9%	37



Note: The Brooklyn rental market analysis is comprised of transactions in the north and northwest regions of the borough.

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Report Methodology:

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