

# ELLI MAN REPORT

3Q 2016  
MANHATTAN  
SALES

Quarterly Survey of Co-op & Condo Sales

## CO-OPS & CONDOS DASHBOARD

year-over-year

### PRICES

Median Sales Price

7.6%

### PACE

Absorption Rate

1.7 mos

### SALES

Closed Sales

-18.6%

### INVENTORY

Total Inventory

10.8%

### MARKETING TIME

Days on Market

6 days

### NEGOTIABILITY

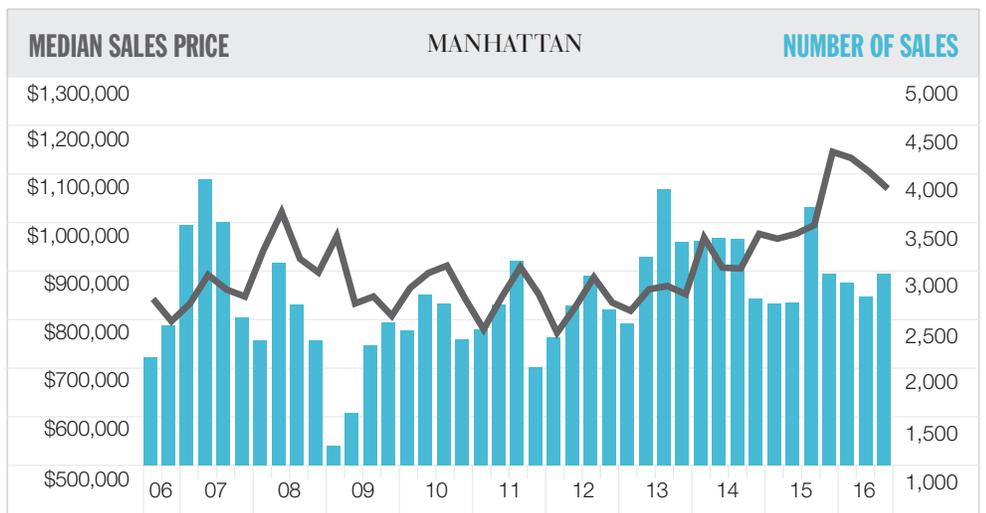
Listing Discount

0.7%

- All price indicators moved higher, influenced by new development skew
- Median sales price for re-sales showed modest gain
- Number of sales fell, pressing inventory higher

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.

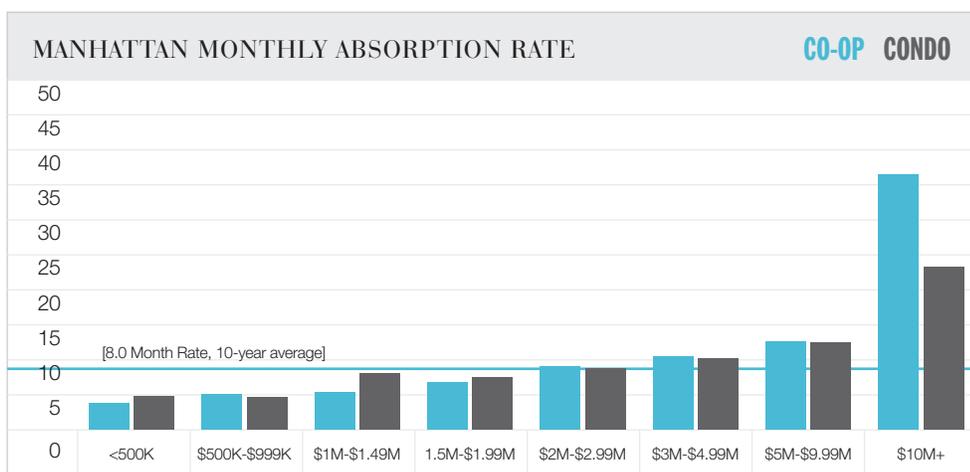
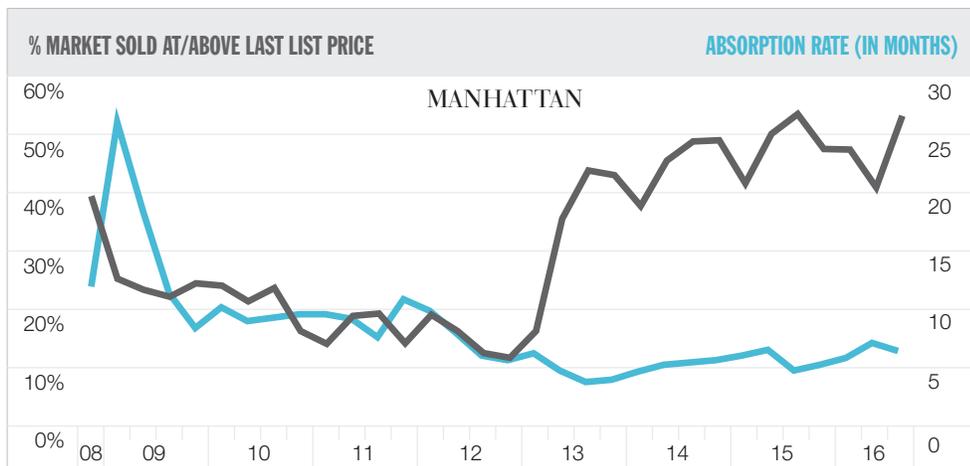
Manhattan Market Matrix	3Q-2016	%Δ (qtr)	2Q-2016	%Δ (yr)	3Q-2015
Average Sales Price	\$2,032,459	0.2%	\$2,029,075	17.0%	\$1,737,565
Average Price per Sq Ft	\$1,692	-3.8%	\$1,759	13.0%	\$1,497
Median Sales Price	\$1,073,750	-3.1%	\$1,108,500	7.6%	\$998,000
New Development	\$4,011,044	48.9%	\$2,693,271	95.8%	\$2,048,341
Re-sale	\$950,000	0.5%	\$945,000	2.6%	\$926,250
Number of Sales (Closed)	2,974	8.7%	2,736	-18.6%	3,654
Days on Market (From Last List Date)	79	-11.2%	89	8.2%	73
Listing Discount (From Last List Price)	2.9%		2.2%		2.2%
Listing Inventory (Active)	6,263	-1.4%	6,352	10.8%	5,654
Absorption Rate (Months)	6.3	-10.0%	7.0	37.0%	4.6
Year-to-Date	3Q-2016	%Δ (qtr)	2Q-2016	%Δ (yr)	3Q-2015
Average Sales Price (YTD)	\$2,030,838	N/A	N/A	13.2%	\$1,794,528
Average Price per Sq Ft (YTD)	\$1,724	N/A	N/A	20.5%	\$1,431
Median Sales Price (YTD)	\$1,100,000	N/A	N/A	11.5%	\$986,500
Number of Sales (YTD)	8,587	N/A	N/A	-4.5%	8,989



The third quarter Manhattan housing market showed higher prices with fewer sales and more inventory. The median sales price of a Manhattan apartment was \$1,073,750, up 7.6% from the year ago quarter and was the fourth consecutive quarter above the \$1 million threshold. Average price per square foot was \$1,692 up 13% and average sales price was \$2,032,459 was up 17% respectively from the year ago quarter. New development results, especially a large portion from contracts signed 12-18 months

ago, continued to skew the metrics higher with 80 sales closing at or above \$10 million, the most since 2008. As a result the median sales price for new development nearly doubled to \$4,011,044 from the same period last year, reflective of the shift in the mix to larger units, not a surge in value. The re-sale market, accounting for 87.7% of sales in the third quarter, was more reflective of current market conditions. All re-sale price trend indicators showed modest growth as the number of sales fell from year ago levels for the

fourth consecutive quarter. Re-sale median sales price was \$950,000, bracketed closely by the results of the prior four quarters and up 2.6% from the same period a year ago. This gain followed a 0% year over year change in the prior quarter and was a noticeable step down from the 6.6% average increase on a year over year basis during the preceding three years. The number of resales dropped 20.1% from the year ago quarter, yet remained 19.1% higher than the quarterly resales average of the last decade. The number of re-sales has fallen year over year in each of the last four quarters at an increasing rate. Listing inventory reflected significant differences in the rate of growth between re-sale and new development. Re-sale inventory expanded 8.2% to 5,290 while new development inventory surged 27.2% to 973 respectively from the same period a year ago. The re-sale absorption rate, the number of months to sell all re-sale inventory at the current rate of re-sales, increased to 6.1 months from 4.5 months in the year ago quarter, but was below the 8.1 month quarterly average of the prior decade. The year over year surge in new development inventory was a significant change in direction after four consecutive quarters of year over year declines. The declines had ranged from 31% to 49% as developers pulled inventory from active to shadow status to prevent their offerings from seeing extended marketing times. After setting a record 31% market share in the prior year quarter for sales that exceeded their list price at time of contract, the market share fell sharply to 17.4%. The amount paid in excess of list price fell by roughly half to 4.6% from 8.2% over the same period. The resulting decline in bidding wars over the past year was reflective of additional inventory and less sales activity. The luxury market, representing the top 10% of all sales, set new price records for average sales



price and average price per square foot as new development market share surged to 55% of all luxury sales from 29% in the year ago quarter. The luxury average price per square foot was \$3,040, up 23.9% from the year ago quarter, to a new record and exceeded the \$3,000 per square foot threshold for the first time. Luxury average sales price surged 30.8% to a record \$8,840,704 over the same period. The share of “all cash” sales was 46% of all apartment sales market wide

down from 49% in the year ago quarter. “All cash” sales comprised 39% of co-op sales and 55% of condo sales in the third quarter. Listing discount, the percentage difference between the list price at time of sale and the sales price, increased to 2.9% from 2.2% in the prior year quarter. Days on market, the average number of days to sell all apartments that closed during the quarter, was 6 days slower than the same period last year, falling to 79 days.

## RE-SALES

- Price trend indicators showed modest gains
- Absorption slowed as marketing time edged higher
- Despite the decline in sales, activity remained 7.2% higher than the quarterly average for the decade.

Re-Sales Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$1,566,066	4.7%	\$1,496,233	5.2%	\$1,488,825
Average Price per Sq Ft	\$1,422	-2.1%	\$1,453	4.6%	\$1,360
Median Sales Price	\$950,000	0.5%	\$945,000	2.6%	\$926,250
Number of Sales (Closed)	2,608	16.9%	2,231	-20.1%	3,264
Days on Market (From Last List Date)	72	-1.4%	73	7.5%	67
Listing Discount (From Last List Price)	2.9%		3.4%		2.6%
Listing Inventory (Active)	5,290	-1.3%	5,362	8.2%	4,889
Absorption Rate (Months)	6.1	-15.3%	7.2	35.6%	4.5
Sales Share of Overall Market	87.7%		81.5%		89.3%

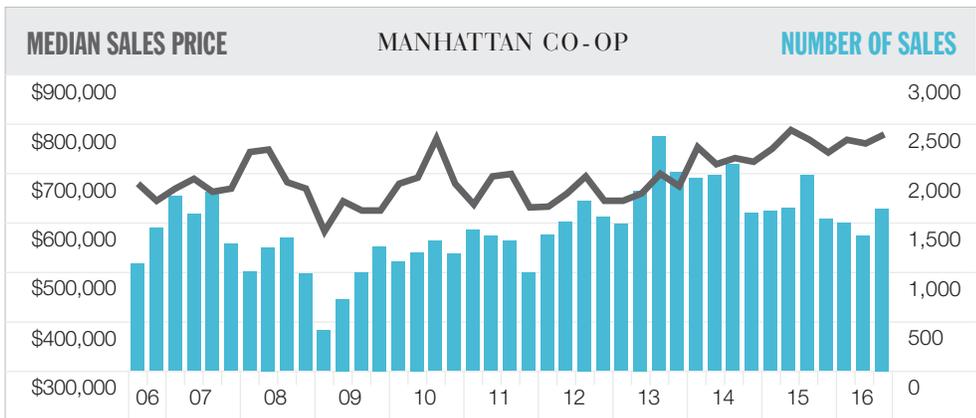
Note: This sub-category analyzes all co-op & condo re-sales available. The data is also contained within the co-op & condo markets presented.

# CO-OPS

- Median sales price edged up to second highest level on record
- Sharp decline in sales as inventory edged higher
- Marketing time and negotiability expanded

Co-op Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$1,291,269	-0.8%	\$1,301,812	3.6%	\$1,246,435
Average Price Per Sq Ft	\$1,225	-8.0%	\$1,331	2.9%	\$1,190
Median Sales Price	\$786,000	2.4%	\$767,500	1.4%	\$775,000
Number of Sales	1,647	20.2%	1,370	-17.1%	1,986
Days on Market (From Last List Date)	73	-2.7%	75	14.1%	64
Listing Discount (From Last List Price)	2.6%		3.0%		1.2%
Listing Inventory (Active)	2,788	0.1%	2,785	5.3%	2,648
Absorption Rate (Monthly, Active)	5.1	-16.4%	6.1	27.5%	4.0

Co-op Mix	Sales Share	Median Sales Price
Studio	16.5%	\$440,000
1 bedroom	44.6%	\$711,000
2 bedroom	27.4%	\$1,325,000
3 bedroom	8.8%	\$2,200,000
4+ bedroom	2.7%	\$4,618,757

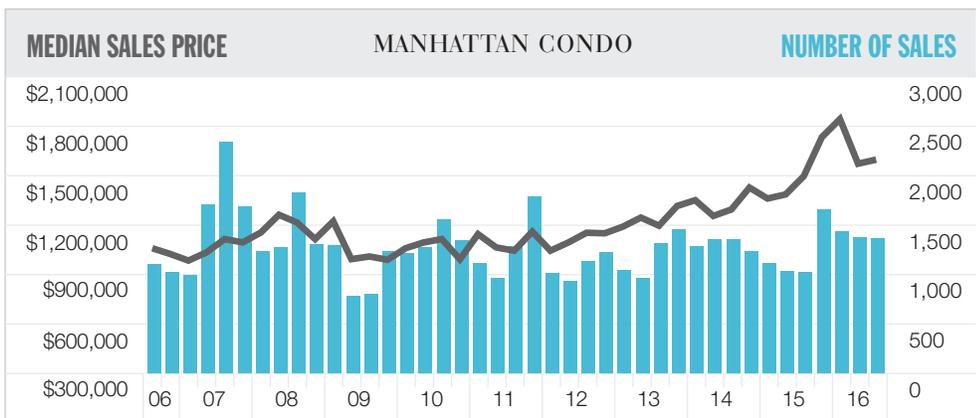


# CONDOS

- Price trend indicators increased as sales declined
- Average price per square foot set new record
- Marketing time expanded as pace of market slowed

Condo Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$2,952,382	7.0%	\$2,758,468	27.3%	\$2,319,470
Average Price Per Sq Ft	\$2,133	2.9%	\$2,073	18.4%	\$1,801
Median Sales Price	\$1,600,000	1.5%	\$1,575,638	6.7%	\$1,500,000
Number of Sales	1,327	-2.9%	1,366	-20.1%	1,661
Days on Market (From Last List Date)	86	-19.6%	107	2.4%	84
Listing Discount (From Last List Price)	3.2%		1.6%		2.9%
Listing Inventory (Active)	3,475	-2.6%	3,567	15.6%	3,006
Absorption Rate (Monthly, Active)	7.9	1.3%	7.8	46.3%	5.4

Condo Mix	Sales Share	Median Sales Price
Studio	9.3%	\$645,000
1 bedroom	36.6%	\$1,065,900
2 bedroom	29.8%	\$2,050,000
3 bedroom	17.5%	\$4,400,000
4+ bedroom	6.8%	\$9,460,775



## LUXURY

- Price per square foot broke \$3,000 threshold to new record
- More than half of all luxury sales were new development
- Inventory fell as more listings with aspirational prices were pulled from market

Luxury Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$8,840,704	2.5%	\$8,622,734	30.8%	\$6,757,134
Average Price per Sq Ft	\$3,040	2.3%	\$2,973	23.9%	\$2,454
Median Sales Price	\$6,811,125	3.1%	\$6,605,000	23.9%	\$5,499,365
Number of Sales (Closed)	298	8.8%	274	-18.6%	366
Days on Market (From Last List Date)	136	-19.5%	169	17.2%	116
Listing Discount (From Last List Price)	2.9%		2.2%		2.7%
Listing Inventory (Active)	1,346	-3.2%	1,391	-9.1%	1,480
Absorption Rate (Months)	13.6	-10.5%	15.2	12.4%	12.1
Entry Threshold	\$4,394,069	1.6%	\$4,325,000	23.3%	\$3,564,094

Luxury Mix	Sales Share	Median Sales Price
Co-ops	56.4%	\$3,575,000
Condos	43.6%	\$12,081,583
New Dev.	55.0%	\$6,745,894
Re-sales	45.0%	\$6,375,000



## NEW DEVELOPMENT

- All price indicators continued to set new records, skewed by older contracts
- Active inventory began to rise sharply after a year of declines
- Marketing time and negotiability expanded

New Development Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$5,355,827	22.2%	\$4,383,078	58.6%	\$3,377,218
Average Price per Sq Ft	\$2,799	8.6%	\$2,577	32.6%	\$2,111
Median Sales Price	\$4,011,044	48.9%	\$2,693,271	95.8%	\$2,048,341
Number of Sales (Closed)	366	-27.5%	505	-6.2%	390
Days on Market (From Last List Date)	168	-14.3%	196	34.4%	125
Listing Discount (From Last List Price)	3.4%		-1.0%		0.6%
Listing Inventory (Active)	973	-1.7%	990	27.2%	765
Absorption Rate (Months)	8.0	35.6%	5.9	35.6%	5.9
Sales Share of Overall Market	12.3%		18.5%		10.7%

New Dev. Mix	Sales Share	Median Sales Price
< \$1M	11.5%	\$757,323
\$1M - \$3M	30.6%	\$1,708,552
> \$3M	57.9%	\$5,852,469



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**Report Methodology:**

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