

ELLI MAN

REPORT

3Q 2014
BROOKLYN SALES

Quarterly Survey of Residential Sales

CO-OPS, CONDOS, & 1-3 FAMILY

DASHBOARD

year-over-year

PRICES

Median Sales Price

4.5%

PACE

Absorption Rate

0.4 mos

SALES

Closed Sales

2%

INVENTORY

Total Inventory

3.4%

MARKETING TIME

Days on Market

51 days

NEGOTIABILITY

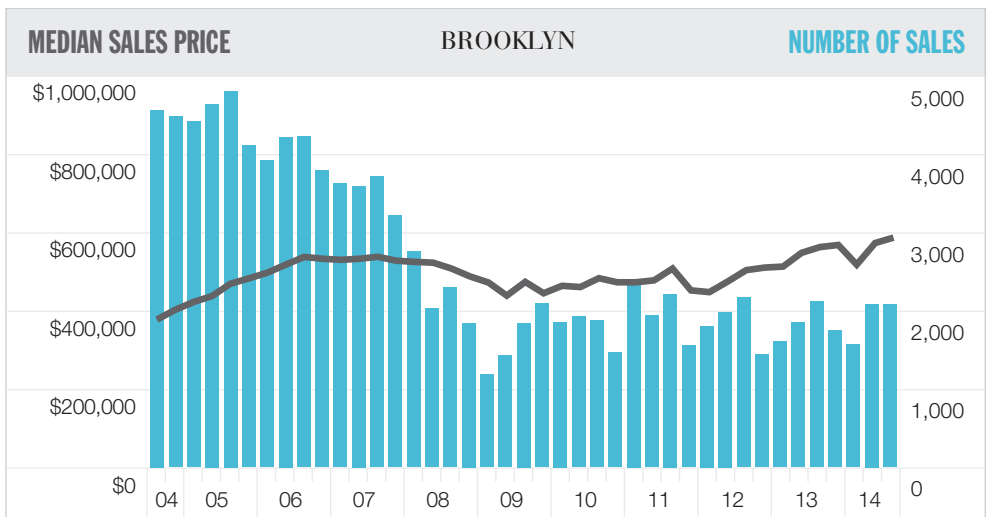
Listing Discount

5.2%

- Median sales price reached record high
- Sales decreased as inventory edged higher
- Average discount reflected premium over list price

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.

Brooklyn Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$726,100	-7.3%	\$783,296	4.5%	\$694,777
Median Sales Price	\$587,515	2.2%	\$575,000	4.0%	\$564,720
Number of Sales	2,077	-0.4%	2,086	-2.0%	2,119
Days on Market (From Last List Date)	92	-15.6%	109	-35.7%	143
Listing Discount (From Last List Price)	-0.7%		1.0%		0.1%
Listing Inventory	4,990	12.7%	4,426	3.4%	4,826
Absorption Rate (mos)	7.2	12.5%	6.4	5.9%	6.8
Year-to-Date	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price (YTD)	\$734,592	N/A	N/A	9.7%	\$669,859
Median Sales Price (YTD)	\$565,000	N/A	N/A	2.9%	\$549,000
Number of Sales (YTD)	5,735	N/A	N/A	2.7%	5,582



Housing prices increased for the eighth consecutive quarter, setting a new record for the fifth time in the past 6 quarters. Median sales price was up 4% to a new record of \$587,515, 8.8% above the pre-financial crisis record set 7 years ago. Year-to-date median sales price was up 2.9% over the same period last year. Average sales price increased 4.5% to \$726,100 over the same period. Luxury market housing prices were in sync with the overall market. The entry threshold of the luxury market, which represents the top 10% of all sales, was \$1,375,000 this quarter. Median sales price was \$1,790,000, 5.3% above the prior year quarter. Average sales price increased 4.2% to \$2,074,286 over

the same period, marking the third time the \$2,000,000 threshold has been reached. Co-op and 1-3 family markets showed rising price indicators while the condo market slipped from prior year levels. Condo market share expanded 13.4% to 32.9% of all sales. The market share for co-ops fell 11.8% to 27% and the market share for 1-3 family properties fell 0.7% to 40.1% of all sales. All four regions of Brooklyn neighborhoods posted gains in median sales price over the past year. The median sales price of North Brooklyn which included Williamsburg and Greenpoint as well East Brooklyn, which included Bedford-Stuyvesant and East New York, increased 15.5% and 14.5% respectively

from the prior year quarter. Northwest Brooklyn, comprised of Park Slope and Cobble Hill as well as South Brooklyn, which included Bay Ridge and Flatbush, increased 6.1% and 5% respectively over the same period. The number of sales slipped 2% to 2,077 while listing inventory increased 3.4% to 4,990 respectively from the same period last year. Despite record setting prices, the pace of the market eased

slightly. The absorption rate, the number of months to sell all inventory at the current pace of sales, increased to 7.2 from 6.8 in the prior year quarter. Despite the slower absorption rate, the current pace was still 21.7% faster than the 9.2 month average over the previous five-years. Days on market, the average number of days between the last list price change to the contract date, fell 35.7% to 92 days from the

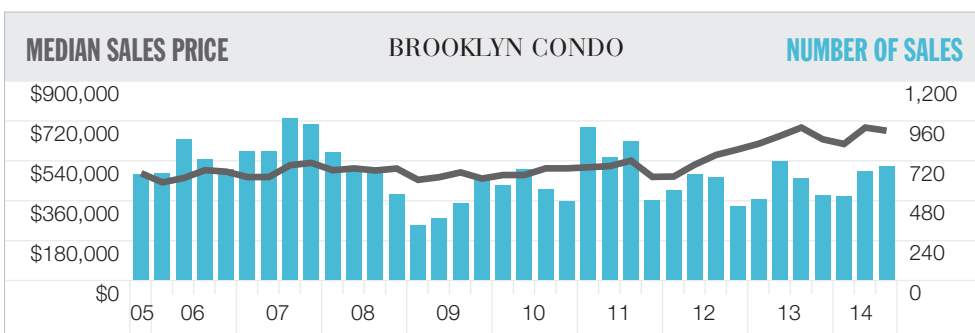
same period last year. This was 51 days faster than the same period last year. Listing discount, the percentage difference between the list price at time of sale and the sales price, reflected a premium rather than a discount. The average sales price of a listing that closed during the quarter was 0.7% higher than the list price at time of sale. Approximately 54.7% of all sales were sold at or above the list price.

CONDOS

- Price indicators slipped below prior year levels
- More sales than the prior year quarter
- No negotiability between buyer and seller on average

Condo Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$804,295	-11.6%	\$910,347	-2.7%	\$827,028
Average Price Per Sq Ft	\$729	-12.2%	\$830	-3.3%	\$754
Median Sales Price	\$689,500	-1.4%	\$699,000	-1.4%	\$699,000
Number of Sales	684	3.8%	659	11.4%	614
Days on Market (From Last List Date)	88	14.3%	77	-20.0%	110
Listing Discount (From Last List Price)	0.0%		0.0%		1.1%

Quintiles	Med. Sales Price	%Change (YR)
5/5	\$1,447,500	-0.4%
4/5	\$895,000	-1.1%
3/5	\$685,000	-2.0%
2/5	\$497,250	-7.7%
1/5	\$285,680	-10.9%

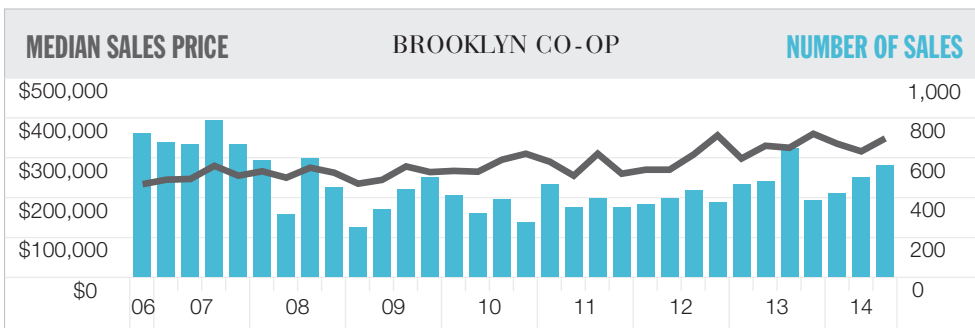


CO-OPS

- Price indicators exceeded prior year levels
- Number of sales fell short of last year's total
- Average list price exceeded average sale price

Co-op Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$486,596	12.8%	\$431,335	2.6%	\$474,047
Median Sales Price	\$353,000	10.0%	\$321,000	7.0%	\$330,000
Number of Sales	561	12.2%	500	-13.6%	649
Days on Market (From Last List Date)	54	-46.0%	100	-53.8%	117
Listing Discount (From Last List Price)	-5.3%		1.0%		0.1%

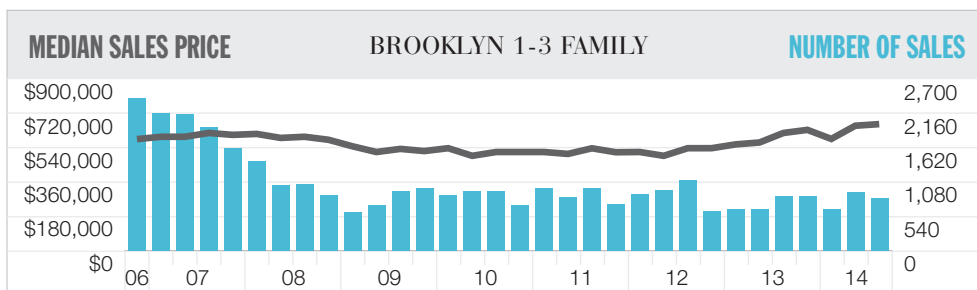
Quintiles	Med. Sales Price	%Change (YR)
5/5	\$991,000	4.6%
4/5	\$535,000	-0.1%
3/5	\$353,500	7.1%
2/5	\$230,000	-5.2%
1/5	\$143,000	-6.2%



1-3 FAMILY

- All price indicators continued to press higher
- Number of sales declined due to lack of supply
- Marketing time fell sharply

1-3 Family Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$823,306	-6.7%	\$882,815	7.3%	\$767,267
Average Price Per Sq Ft	\$367	-3.2%	\$379	14.3%	\$321
Median Sales Price	\$666,500	1.3%	\$658,000	7.5%	\$620,000
Number of Sales	832	-10.2%	927	-2.8%	856
Days on Market (From Last List Date)	65	-27.8%	90	-33.0%	97
Listing Discount (From Last List Price)	1.8%		2.5%		0.7%



Quintiles	Med. Sales Price	%Change (YR)
5/5	\$1,500,000	7.9%
4/5	\$876,288	9.5%
3/5	\$666,500	7.5%
2/5	\$487,000	8.2%
1/5	\$289,000	3.2%

Brooklyn Market by LOCATION

NORTH

- Number of sales fell short of prior year total
- Price indicators show double-digit gain

North Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$1,051,927	1.0%	\$1,041,624	15.3%	\$912,243
Average Price Per Sq Ft	\$843	14.7%	\$735	19.2%	\$707
Condo	\$983	9.0%	\$902	19.7%	\$821
Median Sales Price	\$915,000	6.6%	\$858,050	15.5%	\$792,000
Number of Sales	151	-15.2%	178	-7.9%	164

SOUTH

- Price indicators were mixed
- Number of sales continued to rise

South Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$537,853	0.3%	\$536,337	-0.2%	\$538,828
Median Sales Price	\$472,500	2.2%	\$462,185	5.0%	\$450,000
Condo	\$490,908	5.6%	\$465,000	15.5%	\$425,000
Co-op	\$225,000	0.2%	\$224,500	-2.2%	\$230,000
1-3 Family	\$665,000	5.1%	\$632,500	5.1%	\$632,500
Number of Sales	870	-3.1%	898	2.8%	846

EAST

- Large gains across all price indicators
- Number of sales increased

East Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$548,863	-8.1%	\$596,939	18.9%	\$461,654
Median Sales Price	\$469,500	-10.3%	\$523,172	14.5%	\$410,000
Condo	\$415,426	-16.8%	\$499,250	27.7%	\$325,250
1-3 Family	\$549,000	-2.8%	\$565,000	16.2%	\$472,500
Number of Sales	452	4.1%	434	18.9%	380

NORTHWEST

- All price indicators increased
- Sales fell from same quarter last year

Northwest Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$1,052,830	-14.3%	\$1,228,897	11.0%	\$948,349
Median Sales Price	\$822,500	-3.2%	\$849,500	6.1%	\$775,000
Condo	\$875,000	-7.9%	\$950,000	1.9%	\$859,000
Co-op	\$622,500	14.9%	\$542,000	8.3%	\$575,000
1-3 Family	\$1,785,000	-4.3%	\$1,866,118	5.0%	\$1,700,000
Number of Sales	604	4.9%	576	-17.1%	729

BROWNSTONE

- Price indicators continued to increase
- Number of sales increased

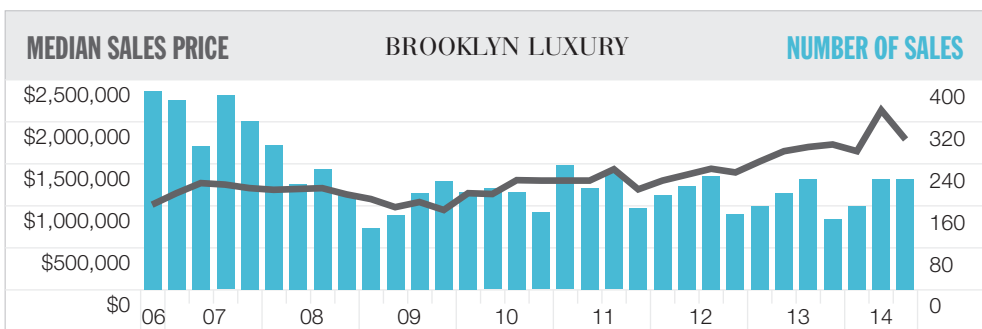
Brownstone Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$2,098,514	-12.3%	\$2,391,985	8.5%	\$1,933,488
Average Price Per Sq Ft	\$776	-9.6%	\$858	9.3%	\$710
Median Sales Price	\$1,785,000	-4.3%	\$1,866,118	5.0%	\$1,700,000
1-Family	\$1,865,000	-33.8%	\$2,818,750	9.7%	\$1,700,000
2-Family	\$1,675,000	3.6%	\$1,617,500	3.0%	\$1,626,000
3-Family	\$2,100,000	54.7%	\$1,357,500	1.2%	\$2,075,000
Number of Sales	80	-23.1%	104	9.6%	73

LUXURY

- Price indicators were up, consistent with overall market
- Marketing time fell sharply
- Entry threshold continued to rise compared to the same quarter last year

Luxury Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$2,074,286	-17.9%	\$2,526,708	4.2%	\$1,991,324
Median Sales Price	\$1,790,000	-16.3%	\$2,138,325	5.3%	\$1,700,000
Number of Sales	211	0.0%	211	0.0%	211
Days on Market (From Last List Date)	79	-7.1%	85	-34.2%	120
Listing Discount (From Last List Price)	0.5%		1.3%		1.0%
Entry-Price Threshold	\$1,375,000	-7.7%	\$1,490,000	7.0%	\$1,285,000

Luxury Mix	Luxury Sales Share	Median Sales Price
Condo	48.8%	\$1,730,013
Co-op	14.2%	\$1,792,500
1-3 Family	37.0%	\$1,900,000

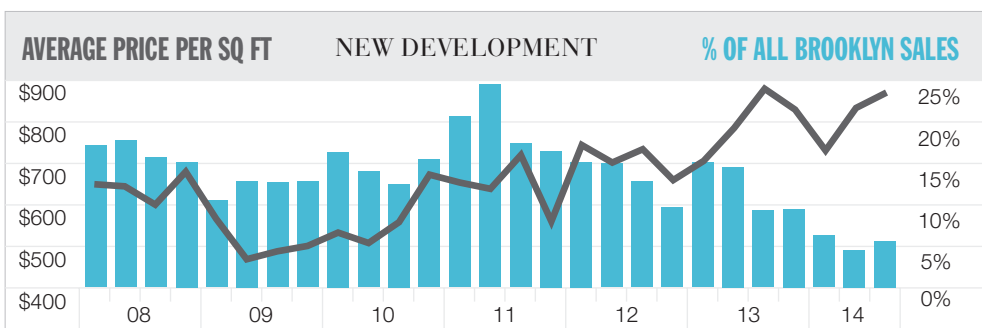


NEW DEVELOPMENT

- Price indicators were mixed
- Average sale sold above list price
- Market share declined as new development emphasized rentals

New Development Market Matrix	3Q-2014	%Chg (QTR)	2Q-2014	%Chg (YR)	3Q-2013
Average Sales Price	\$907,138	-14.6%	\$1,062,152	-3.8%	\$942,547
Average Price Per Sq Ft	\$871	4.4%	\$834	-1.0%	\$880
Median Sales Price	\$799,000	10.2%	\$725,000	6.5%	\$750,000
Number of Sales	117	25.8%	93	-40.6%	197
Days on Market (From Last List Date)	72	-28.7%	101	-30.8%	104
Listing Discount (From Last List Price)	-0.8%		0.2%		1.7%
Sales Share of Overall Market	5.6%		4.5%		9.3%

New Development Mix	Condo Sales Share	Median Sales Price
< \$1M	68.4%	\$657,500
\$1M - \$3M	30.8%	\$1,299,500
> \$3M	0.9%	\$3,500,000



NEIGHBORHOODS OF BROOKLYN

NORTH BROOKLYN

Greenpoint
Williamsburg

NORTHWEST BROOKLYN

"Brownstone Brooklyn"
Boerum Hill
Brooklyn Heights
Carroll Gardens
Clinton Hill
Cobble Hill
Downtown
Dumbo
Fort Greene

SOUTH BROOKLYN

Gowanus
Navy Yard
Park Slope
Park Slope South
Prospect Heights
Red Hook
Vinegar Hill
Windsor Terrace

Bath Beach
Bay Ridge
Bensonhurst
Bergen Beach
Borough Park
Brighton Beach
Bush Terminal
Canarsie
Coney Island
Dyker Heights
Flatbush
Flatlands
Gerritsen Beach
Gravesend
Kensington
Madison
Manhattan Beach
Marine Park

Midwood
Mill Basin
Ocean Parkway
Old Mill Basin
Seagate
Sheepshead Bay
Sunset Park

EAST BROOKLYN

Bedford Stuyvesant
Brownsville
Bushwick
Crown Heights
Cypress Hills
East New York
Farragut
Homecrest
Ocean Hill
Wingate
Wyckoff Heights

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