

ELLI MAN

REPORT

3Q 2016
BROOKLYN SALES

Quarterly Survey of Residential Sales

CO-OPS, CONDOS & 1-3 FAMILY

DASHBOARD

year-over-year

PRICES

Median Sales Price

8.7%

PACE

Absorption Rate

2.3 mos.

SALES

Closed Sales

15.8%

INVENTORY

Total Inventory

36.5%

MARKETING TIME

Days on Market

26 days

NEGOTIABILITY

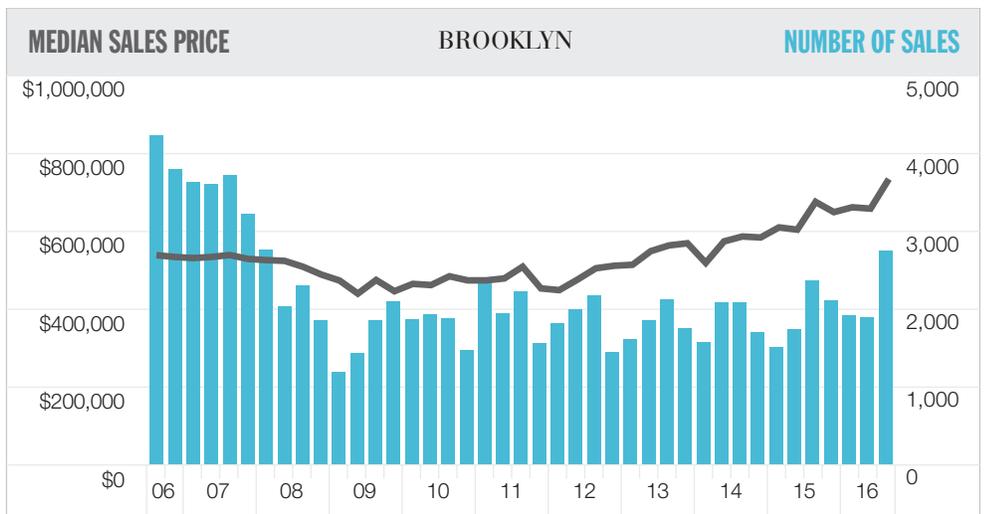
Listing Discount

0.8%

- Price trend indicators set new records
- Fourth consecutive year with rising prices
- Fastest market pace in seven years when began recording

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-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$983,511	20.4%	\$816,827	14.8%	\$856,839
Median Sales Price	\$735,000	11.5%	\$659,000	8.7%	\$676,250
Number of Sales	2,741	45.2%	1,888	15.8%	2,368
Days on Market (From Last List Date)	81	6.6%	76	47.3%	55
Listing Discount (From Last List Price)	-0.3%		1.1%		0.5%
Listing Inventory	2,624	-1.8%	2,672	-36.5%	4,134
Absorption Rate (mos)	2.9	-31.0%	4.2	-44.2%	5.2
Year-to-Date	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price (YTD)	\$880,415	N/A	N/A	9.1%	\$806,817
Median Sales Price (YTD)	\$685,000	N/A	N/A	5.5%	\$649,000
Number of Sales (YTD)	6,541	N/A	N/A	16.6%	5,610



The Brooklyn housing market continued to push the envelope both with higher prices, more sales and falling inventory. Median sales price increased 8.7% to \$735,000 from the same period last year to a new record. Average sales price showed a similar pattern rising 14.8% to a record \$983,511, just shy of the \$1 million threshold. Housing prices continued to rise across all property types and all major regions of the borough. The median sales price for condos were up 6.8% to \$812,008, co-ops were up 8.4% to \$428,000 and 1-3 family houses were up 9.2% to \$830,000 respectively over the same period. The median sales price for

North Brooklyn increased 14.2% to \$999,000, South Brooklyn increased 10.9% to \$621,250, East Brooklyn increased 7.1% to \$680,000 and Northwest Brooklyn jumped 13.4% to \$1,100,000 respectively from the year ago quarter. Luxury median sales price, representing the top 10% of sales, grew faster than the overall market for the third consecutive quarter. Luxury median sales price surged 23.5% to \$2,500,000 from the prior year quarter skewed by a high number of large new development closings. Luxury average sales price was also exaggerated, rising 24.9% to \$3,099,912 over the same period, the first time this metric exceeded \$3 million. The luxury

market threshold rose 15.8% to \$1,800,000. Condo new development sales represented 4.2% of all borough sales and 15.3% of all borough condo sales. New development condo price trend indicators surged as the size of the average sale increased. The number of sales jumped 15.8% to 2,741, the most third quarter sales since 2007. Listing inventory fell 36.5% to 2,624, the lowest level recorded since this metric was first tracked in 2008. With demand

continuing to overwhelm supply, the market moved at its fastest pace in eight years. The absorption rate, the number of months to sell all listing inventory at the current rate of sales, fell to 2.9 months from 5.2 months from the year ago quarter. Days on market, the number of days between the last list price change and the contract date, was 81 days, 26 days slower than the same period last year. The expansion in marketing time suggested that the third quarter

market pace can't be sustained indefinitely and sellers were not able to "aspirationally" price their listings. This can be seen in the listing discount metric, the percentage difference between the list price at time of sale and the sales price. With a listing discount of effectively 0%, down slightly from 0.5% in the year ago quarter, there is no negotiability between the parties.

CONDOS

- All price indicators set new records
- More sales with less inventory
- Marketing time edged higher as negotiability remained nominal

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$2,008,000	20.0%
4/5	\$1,130,500	6.6%
3/5	\$812,008	6.8%
2/5	\$590,351	3.5%
1/5	\$404,586	12.5%

Condo Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$1,145,401	20.1%	\$953,456	24.0%	\$923,821
Average Price Per Sq Ft	\$1,091	5.0%	\$1,039	25.8%	\$867
Median Sales Price	\$812,008	4.9%	\$773,926	6.8%	\$760,000
Number of Sales	743	25.1%	594	14.3%	650
Days on Market (From Last List Date)	78	9.9%	71	41.8%	55
Listing Discount (From Last List Price)	0.5%		1.3%		1.1%



CO-OPS

- All price indicators set new records
- More sales with less inventory
- Days on market increased with nominal listing discount

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$1,072,500	-2.4%
4/5	\$613,000	0.9%
3/5	\$428,000	8.4%
2/5	\$285,000	7.5%
1/5	\$170,000	0.2%

Co-op Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$557,853	10.0%	\$507,315	2.6%	\$543,630
Median Sales Price	\$428,000	9.7%	\$390,043	8.4%	\$395,000
Number of Sales	561	34.9%	416	6.5%	527
Days on Market (From Last List Date)	70	-20.5%	88	29.6%	54
Listing Discount (From Last List Price)	0.8%		0.4%		-1.4%

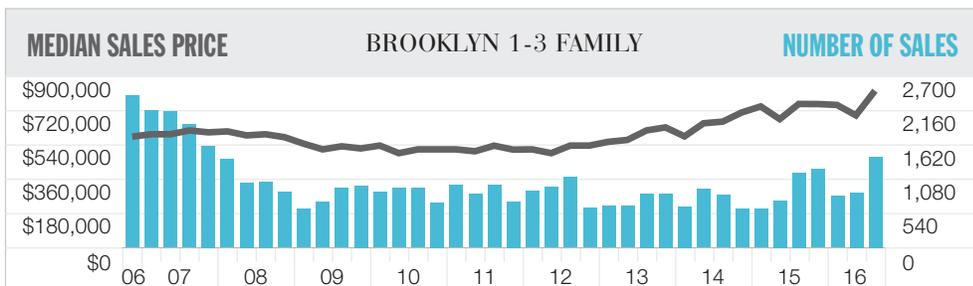


1-3 FAMILY

- All price indicators set new records
- Sales surged with less inventory
- Sharp increase in marketing time

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$1,920,000	13.7%
4/5	\$1,185,600	18.7%
3/5	\$830,000	9.2%
2/5	\$618,800	12.5%
1/5	\$360,000	14.3%

1-3 Family Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$1,065,982	22.2%	\$871,977	11.8%	\$953,573
Average Price Per Sq Ft	\$473	21.6%	\$389	18.8%	\$398
Median Sales Price	\$830,000	18.6%	\$700,000	9.2%	\$760,000
Number of Sales	1,437	64.8%	872	21.5%	1,183
Days on Market (From Last List Date)	123		122		60
Listing Discount (From Last List Price)	7.6%		7.6%		13.3%



Brooklyn Market by LOCATION

NORTH

- Number of sales declined
- Price trend indicators rose sharply

North Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$1,376,305	28.9%	\$1,067,503	21.5%	\$1,133,071
Average Price Per Sq Ft	\$817	-10.6%	\$914	7.5%	\$760
Condo	\$1,154	-1.3%	\$1,169	14.6%	\$1,007
Median Sales Price	\$999,000	14.8%	\$870,000	14.2%	\$875,000
Number of Sales	201	40.6%	143	-15.9%	239

SOUTH

- Number of sales jumped from year ago level
- Price trend indicators moved higher across property types

South Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$707,862	10.0%	\$643,606	5.8%	\$669,233
Median Sales Price	\$621,250	13.1%	\$549,346	10.9%	\$560,000
Condo	\$560,000	1.8%	\$550,000	7.5%	\$521,000
Co-op	\$280,000	5.7%	\$265,000	9.6%	\$255,500
1-3 Family	\$776,000	7.2%	\$724,000	3.5%	\$750,000
Number of Sales	1,344	49.2%	901	19.8%	1,122

EAST

- All property type price trend indicators moved higher
- An expansion in the number of sales

East Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$825,629	12.2%	\$735,808	16.8%	\$706,975
Median Sales Price	\$680,000	4.6%	\$650,000	7.1%	\$635,000
Condo	\$593,000	-18.8%	\$730,000	5.9%	\$560,000
1-3 Family	\$742,750	16.2%	\$639,000	10.9%	\$669,500
Number of Sales	515	24.4%	414	6.8%	482

NORTHWEST

- Overall price trend indicators rose sharply
- There was a surge in the number of sales

Northwest Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$1,530,987	30.4%	\$1,174,425	20.6%	\$1,269,621
Median Sales Price	\$1,100,000	11.7%	\$985,000	13.4%	\$970,000
Condo	\$1,197,500	10.3%	\$1,085,236	4.1%	\$1,150,000
Co-op	\$682,000	6.2%	\$642,000	0.3%	\$680,000
1-3 Family	\$2,350,000	19.3%	\$1,970,000	-0.2%	\$2,355,000
Number of Sales	681	58.4%	430	29.7%	525

BROWNSTONE

- Median sales price showed a nominal decline
- Number of sales nearly doubled

Brownstone Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$2,486,015	10.6%	\$2,247,079	-8.1%	\$2,704,844
Average Price Per Sq Ft	\$913	12.4%	\$812	-6.6%	\$978
Median Sales Price	\$2,350,000	19.3%	\$1,970,000	-0.2%	\$2,355,000
1-Family	\$2,350,000	29.1%	\$1,820,000	-8.3%	\$2,563,000
2-Family	\$2,437,500	30.3%	\$1,870,000	3.7%	\$2,350,000
3-Family	\$2,197,500	-20.9%	\$2,779,500	-11.0%	\$2,470,000
Number of Sales	129	207.1%	42	84.3%	70

LUXURY

- Price trend indicators showed double-digit gains
- Marketing time jumped
- The luxury entry threshold set a new record

Luxury Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$3,099,912	40.0%	\$2,213,797	24.9%	\$2,481,918
Median Sales Price	\$2,500,000	31.6%	\$1,900,000	23.5%	\$2,025,000
Number of Sales	282	49.2%	189	19.0%	237
Days on Market (From Last List Date)	101	2.0%	99	53.0%	66
Listing Discount (From Last List Price)	-3.0%		0.0%		3.7%
Entry-Price Threshold	\$1,800,000	18.0%	\$1,525,000	15.8%	\$1,555,000

Luxury Mix	Luxury Sales Share	Median Sales Price
Condo	36.5%	\$2,500,000
Co-op	5.0%	\$2,150,075
1-3 Family	58.5%	\$2,525,000



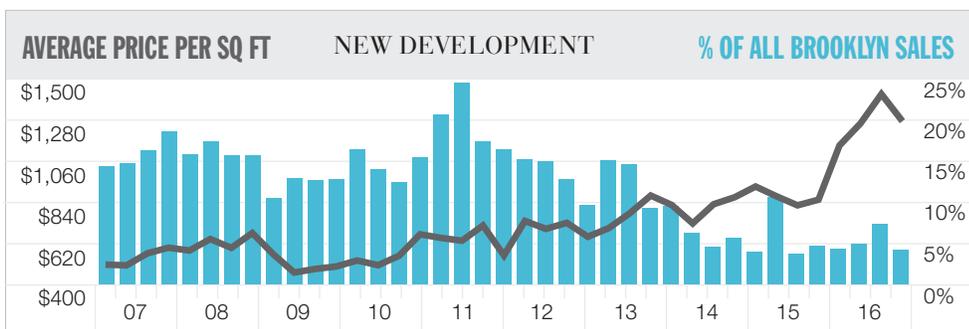
NEW DEVELOPMENT

Condos

- Price indicators and marketing time skewed higher from large project
- Number of sales edged higher
- Market share of closings was nominally lower

New Development Market Matrix	3Q-2016	%Δ (QTR)	2Q-2016	%Δ (YR)	3Q-2015
Average Sales Price	\$1,869,810	103.8%	\$917,619	108.9%	\$895,178
Average Price Per Sq Ft	\$1,275	-10.1%	\$1,419	48.6%	\$858
Median Sales Price	\$778,452	11.4%	\$698,894	27.0%	\$612,975
Number of Sales	114	-18.6%	140	1.8%	112
Days on Market (From Last List Date)	161	103.8%	79	151.6%	64
Listing Discount (From Last List Price)	-3.1%		0.7%		0.6%
Sales Share of Overall Market	4.2%		7.4%		4.7%

New Development Mix	Condo Sales Share	Median Sales Price
< \$1M	58.8%	\$585,493
\$1M - \$3M	21.9%	\$1,832,850
> \$3M	19.3%	\$4,328,394



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

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

SOUTH BROOKLYN

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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