

ELLI MAN

REPORT

1Q 2016
MANHATTAN SALES

Quarterly Survey of Co-op & Condo Sales

CO-OPS & CONDOS DASHBOARD

year-over-year

PRICES

Median Sales Price

17.3%

PACE

Absorption Rate

0.2_{mos}

SALES

Closed Sales

8.1%

INVENTORY

Total Inventory

5.0%

MARKETING TIME

Days on Market

7_{days}

NEGOTIABILITY

Listing Discount

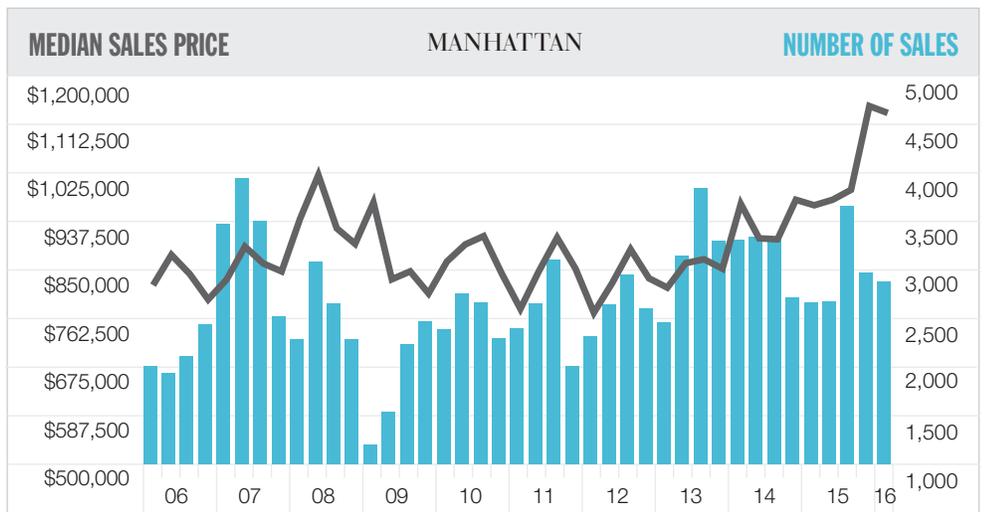
2.6%

- Average sales price and average price per square foot set new records
- Average sales price crossed \$2 million threshold for first time
- Re-sales slipped 3.6%, as new development closing surged 94.1%

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	1Q-2016	%Δ (qtr)	4Q-2015	%Δ (yr)	1Q-2015
Average Sales Price	\$2,051,321	5.3%	\$1,948,221	18.4%	\$1,732,989
Average Price per Sq Ft	\$1,713	4.1%	\$1,645	35.6%	\$1,263
Median Sales Price	\$1,137,500	-1.1%	\$1,150,000	17.3%	\$970,000
New Development	\$2,606,720	26.6%	\$2,059,411	60.4%	\$1,625,000
Re-sale	\$950,000	-1.0%	\$960,000	7.3%	\$885,000
Number of Sales (Closed)	2,877	-3.2%	2,973	8.1%	2,661
Days on Market (From Last List Date)	93	13.4%	82	-7.0%	100
Listing Discount (From Last List Price)	2.1%		3.0%		4.7%
Listing Inventory (Active)	5,506	9.1%	5,046	5.0%	5,243
Absorption Rate (Months)	5.7	11.8%	5.1	-3.4%	5.9

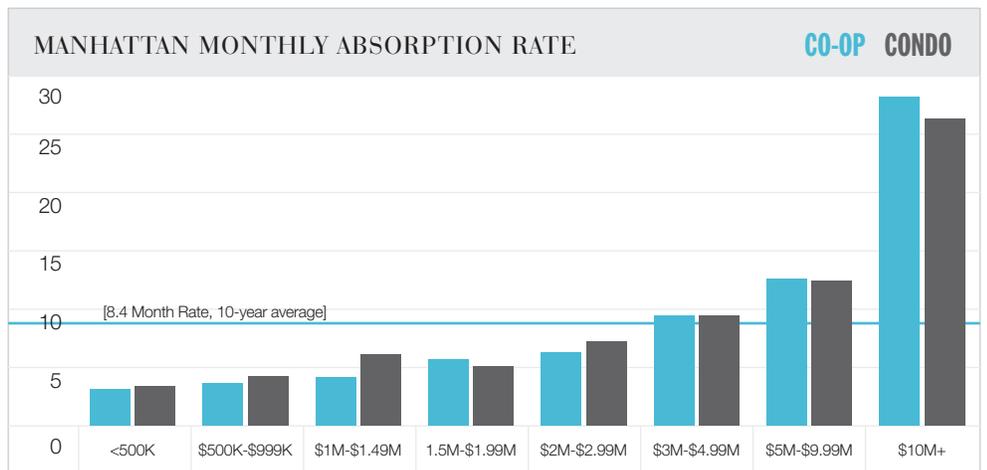
Year-to-Date	1Q-2016	%Δ (qtr)	4Q-2015	%Δ (yr)	1Q-2015
Average Sales Price (YTD)	\$2,051,321	N/A	N/A	18.4%	\$1,732,989
Average Price per Sq Ft (YTD)	\$1,713	N/A	N/A	35.6%	\$1,263
Median Sales Price (YTD)	\$1,137,500	N/A	N/A	17.3%	\$970,000
Number of Sales (YTD)	2,877	N/A	N/A	8.1%	2,661



The Manhattan sales market continued to see record prices, elevated sales and modest re-sale inventory growth. The average sales price of a Manhattan apartment exceeded the \$2 million threshold for the first time, up 18.4% to \$2,051,321 from the year ago quarter. Average price per square foot jumped 35.6% to \$1,713, also reaching a 27 year record. Median sales price increased 17.3% to \$1,137,500 over the same period, but fell 1.1% from the record

set in the prior quarter. The re-sale and new development market saw different trends over the past year. The new development median sales price surged 60.4% to a record \$2,606,720 as project completions ramped up and super luxury contracts signed a few years ago were able to close. Re-sale median price increased a more modest 7.3% to \$950,000 relative to new development results and more closely reflected the performance of the majority of the market.

The number of sales moved 8.1% higher on a year over year basis to 2,877 apartments. The number of re-sales slipped 3.6% to 2,256 while the number of new development closings jumped 94.1% to 621 sales. Listing trends moved in the opposite direction. For the third consecutive quarter, active new development inventory plunged from the prior year despite the high volume of units entering the market. There were 843 listings in new development projects, down 37.6% to 843 from the same period last year. Developers continued to either pull units from the market or were slow to replenish them in order to keep marketing times at lower levels. The pace of contract absorption remained well below year ago levels as the weak U.S. dollar and increasing competition reset demand to a lower level. The number of re-sale listings expanded 19.8% to 4,663 from the year ago quarter but remained 10% below the ten year quarterly average. The combination of rising re-sale inventory and falling new development active inventory resulted in a 5% year over year gain to 5,506 listings. The market share of sales that sold at or above the last list price was 47.8% and were mainly re-sales. Luxury price indicators, reflecting the top 10% of all sales, jumped from year ago levels to new records. The rise was a result of the shift in the mix from the heavy volume of new development closings rather than a sign of additional demand. New development closings accounted for 61.5% of the luxury market. This pattern was consistent with the record luxury market threshold, up 31.9% to \$4,450,000 from the prior year quarter. Luxury median sales price rose 29.1% to a record \$6,638,448 from the year ago quarter. Luxury average sales price increased 14.1% to \$8,297,866 and luxury average price per square foot increased 8.7% to \$2,813 respectively from the year ago quarter to new records. The shift in



the mix was also evident from the 80.1% increase in sales over \$5 million and the 76.5% increase in sales over \$10 million. The absorption rate, the number of months to sell all inventory at the current rate of sales, slipped to 5.7 months from 5.9 months in the year ago, well below the 8.4 month quarterly average of the past decade. The pace of the market remained faster at lower prices. The 1-bedroom market moved the fastest at a 4.3 month rate; studios at 5.5; 2-bedrooms

at 5.9, 3-bedroom at 7.6 and 4+ bedrooms at 12.5. Days on market, the average number of days to sell all apartments that closed during the quarter, fell by 7 days from the same period last year, to 93 days. Listing discount, the percentage difference between the list price at time of sale and the sales price, fell to 2.1% from 4.7% in the prior year quarter. "Cash" transactions represented 46% of all closed sales, consistent with the pattern of the prior two years.

LOFTS

- Price indicators were mixed as negotiability expanded
- Number of sales fell and inventory increased
- Days on market compressed

Loft Market Matrix	1Q-2016	%Δ (QTR)	4Q-2015	%Δ (YR)	1Q-2015
Average Sales Price	\$2,834,263	2.4%	\$2,767,962	-5.2%	\$2,989,033
Average Price per Sq Ft	\$1,775	-1.1%	\$1,794	16.2%	\$1,528
Median Sales Price	\$1,925,000	-1.2%	\$1,947,500	-20.6%	\$2,425,000
Number of Sales (Closed)	74	-15.9%	88	-61.5%	192
Days on Market (From Last List Date)	72	16.1%	62	-15.3%	85
Listing Discount (From Last List Price)	2.4%		2.9%		2.2%
Listing Inventory (Active)	369	20.2%	307	15.0%	321
Absorption Rate (Months)	15.0	42.9%	10.5	200.0%	5.0

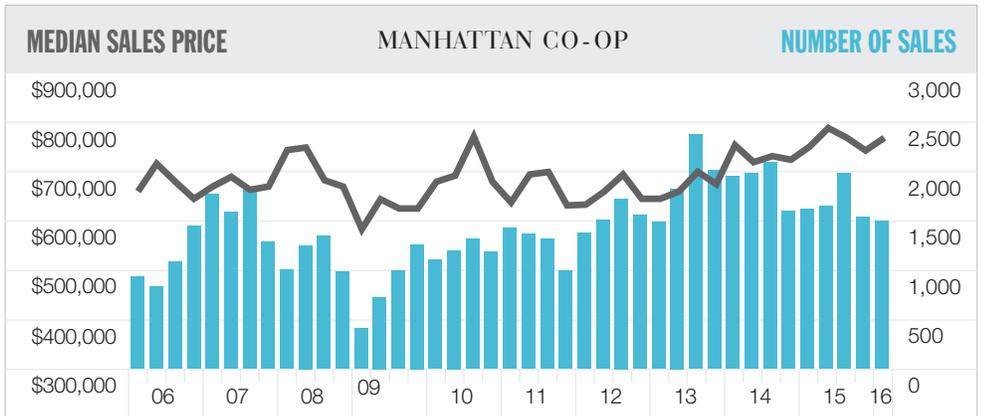
Note: This sub-category analyzes all co-op & condo loft sales available. The data is also contained within the co-op & condo markets presented.

CO-OPS

- Number of sales declined year-over-year for seventh consecutive quarter
- Listing inventory and days on market slipped
- Median sales price posted modest gain

Co-op Market Matrix	1Q-2016	%Δ (QTR)	4Q-2015	%Δ (YR)	1Q-2015
Average Sales Price	\$1,282,693	0.0%	\$1,283,048	-12.3%	\$1,463,011
Average Price Per Sq Ft	\$1,269	35.6%	\$936	16.1%	\$1,093
Median Sales Price	\$775,000	3.5%	\$749,000	2.4%	\$756,843
Number of Sales	1,499	-2.6%	1,539	-7.8%	1,626
Days on Market (From Last List Date)	75	8.7%	69	-16.7%	90
Listing Discount (From Last List Price)	2.1%		2.6%		1.5%
Listing Inventory (Active)	2,448	13.1%	2,164	-2.4%	2,509
Absorption Rate (Monthly, Active)	4.9	16.7%	4.2	6.5%	4.6

Co-op Mix	Sales Share	Median Sales Price
Studio	17.4%	\$415,000
1 bedroom	43.3%	\$699,000
2 bedroom	25.8%	\$1,332,500
3 bedroom	9.9%	\$2,500,000
4+ bedroom	3.6%	\$4,237,500

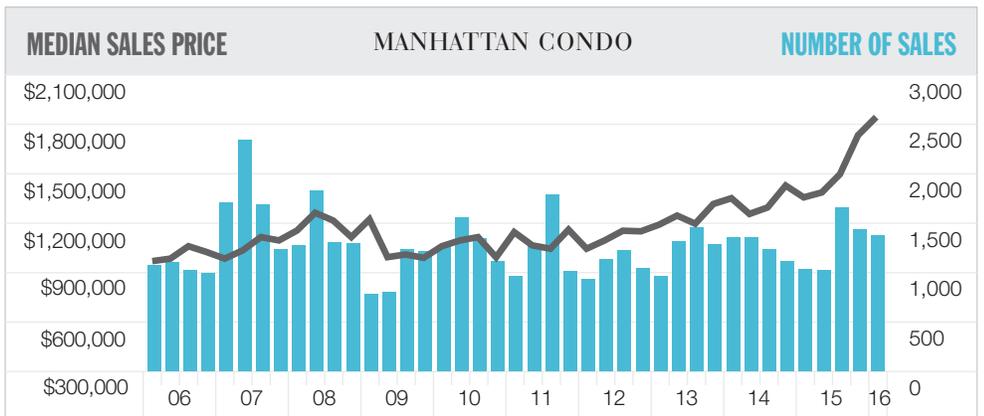


CONDOS

- All price trend indicators for resale and new development set records
- Number of sales surged as new development closings doubled
- Re-sale inventory rose sharply, pulled onto market by rising prices

Condo Market Matrix	1Q-2016	%Δ (QTR)	4Q-2015	%Δ (YR)	1Q-2015
Average Sales Price	\$2,887,440	8.5%	\$2,662,100	33.9%	\$2,157,129
Average Price Per Sq Ft	\$2,061	5.2%	\$1,959	34.7%	\$1,530
Median Sales Price	\$1,845,000	6.3%	\$1,735,641	35.2%	\$1,365,000
Number of Sales	1,378	-3.9%	1,434	33.1%	1,035
Days on Market (From Last List Date)	110	14.6%	96	-4.3%	115
Listing Discount (From Last List Price)	2.0%		3.2%		9.7%
Listing Inventory (Active)	3,058	6.1%	2,882	11.9%	2,734
Absorption Rate (Monthly, Active)	6.7	11.7%	6.0	-15.2%	7.9

Condo Mix	Sales Share	Median Sales Price
Studio	7.5%	\$590,000
1 bedroom	34.7%	\$1,052,749
2 bedroom	32.1%	\$2,315,000
3 bedroom	17.9%	\$4,285,125
4+ bedroom	7.8%	\$6,819,082



LUXURY

- Record median sales price reached, as new development market sales share surged
- Re-sale inventory stabilized as developers pulled active inventory off the market
- Days on market slowed as negotiability remained unchanged

Luxury Mix	Sales Share	Median Sales Price
Co-ops	52.1%	\$3,834,870
Condos	47.9%	\$10,549,719
New Dev.	61.5%	\$6,784,737
Re-sales	38.5%	\$6,162,500

Luxury Market Matrix	1Q-2016	%Δ (QTR)	4Q-2015	%Δ (YR)	1Q-2015
Average Sales Price	\$8,297,866	7.7%	\$7,702,643	14.1%	\$7,270,961
Average Price per Sq Ft	\$2,813	9.4%	\$2,572	8.7%	\$2,587
Median Sales Price	\$6,638,448	10.6%	\$6,000,000	29.1%	\$5,142,162
Number of Sales (Closed)	288	-3.7%	299	8.3%	266
Days on Market (From Last List Date)	122	-18.7%	150	35.6%	90
Listing Discount (From Last List Price)	3.2%		4.0%		3.2%
Listing Inventory (Active)	1,351	-6.1%	1,438	-14.2%	1,575
Absorption Rate (Months)	14.1	-2.1%	14.4	-20.8%	17.8
Entry Threshold	\$4,450,000	5.3%	\$4,225,737	31.9%	\$3,375,000



NEW DEVELOPMENT

- Median sales price and average sales price set new records
- Highest sales share in almost five years and comprised nearly two thirds of luxury sales
- Active inventory fell sharply, as closed sales nearly doubled

New Dev. Mix	Sales Share	Median Sales Price
< \$1M	17.6%	\$808,241
\$1M - \$3M	39.5%	\$1,957,938
> \$3M	43.0%	\$5,748,289

New Development Market Matrix	1Q-2016	%Δ (QTR)	4Q-2015	%Δ (YR)	1Q-2015
Average Sales Price	\$3,921,677	19.1%	\$3,293,411	29.9%	\$3,018,596
Average Price per Sq Ft	\$2,360	6.8%	\$2,210	27.1%	\$1,857
Median Sales Price	\$2,606,720	26.6%	\$2,059,411	60.4%	\$1,625,000
Number of Sales (Closed)	621	12.5%	552	94.1%	320
Days on Market (From Last List Date)	162	8.0%	150	11.0%	146
Listing Discount (From Last List Price)	1.0%		2.9%		1.0%
Listing Inventory (Active)	753	-2.5%	772	-44.0%	1,345
Absorption Rate (Months)	3.6	-14.3%	4.2	-71.4%	12.6
Sales Share of Overall Market	21.6%		18.6%		12.0%



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Report Methodology:

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