

ELLI MAN

REPORT

Q1 2018

BROOKLYN SALES

Quarterly Survey of Residential Sales

CO-OPS, CONDOS & 1-3 FAMILY

DASHBOARD

year-over-year

PRICES

Median Sales Price

3.2%

PACE

Absorption Rate

0.0 mos.

SALES

Closed Sales

13.9%

INVENTORY

Total Inventory

10.8%

MARKETING TIME

Days on Market

13 days

NEGOTIABILITY

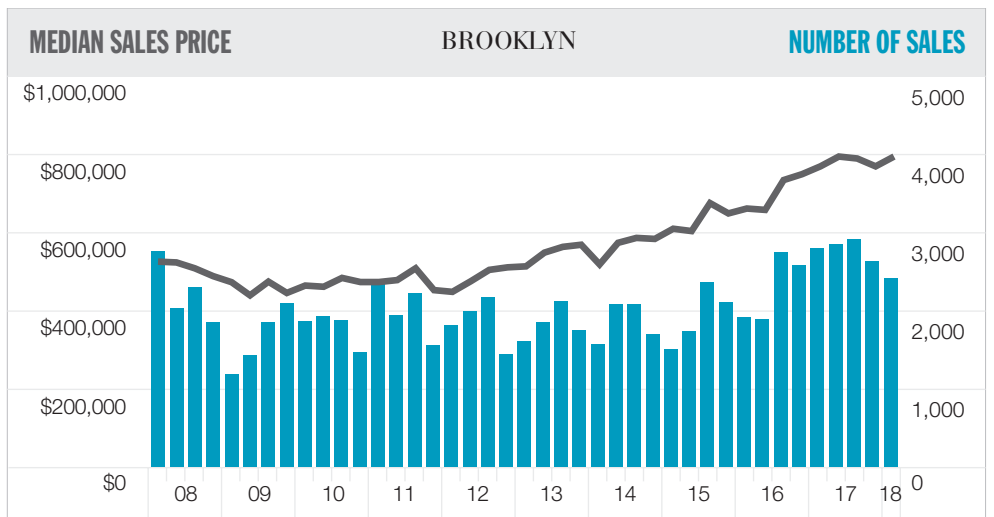
Listing Discount

2.1%

- Median sales price returned to record level, the fifth record reached in seven quarters
- Largest year over year sales decline in nearly 3 years as inventory continued to decline
- Negotiability continued to expand as marketing time tightened

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	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$982,093	3.5%	\$948,706	-1.2%	\$993,955
Median Sales Price	\$795,000	3.2%	\$770,000	3.2%	\$770,000
Number of Sales	2,411	-8.2%	2,627	-13.9%	2,800
Days on Market (From Last List Date)	84	-8.7%	92	-13.4%	97
Listing Discount (From Last List Price)	5.0%		4.1%		2.9%
Listing Inventory	2,043	19.4%	1,711	-10.8%	2,290
Absorption Rate (mos)	2.5	25.0%	2.0	0.0%	2.5
Year-to-Date	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price (YTD)	\$982,093	N/A	N/A	-1.2%	\$993,955
Median Sales Price (YTD)	\$795,000	N/A	N/A	3.2%	\$770,000
Number of Sales (YTD)	2,411	N/A	N/A	-13.9%	2,800



Brooklyn housing prices continued to set records while sales slowed after an extended period of robust growth. The median sales price rose year over year for the twenty-second consecutive quarter and reached record levels in the fifth of the seven most recent quarters. The median sales price rose 3.2% to \$795,000 from the year-ago quarter, tying the record set in the second quarter of 2017. Average sales price slipped 1.2% to \$982,093 over the same period, 1.6% short of the record \$997,654 set in the second quarter of 2017. By property type, 1-3 family properties were the only segment to set a new median sales price record, rising 9.5% to \$900,000 from

the year-ago quarter. Condo median sales price declined 7.6% to \$858,177 and co-op median sales price rose 10.1% to \$428,211 respectively over the same period. Luxury median sales price, representing the top 10% of all sales, saw a 6.6% lower price threshold of \$1,839,857. Luxury median sales price declined 4.7% to \$2,425,000, and luxury average sales price decreased 3.7% to \$2,788,647 respectively from the prior-year quarter. Of the Brooklyn four regions, South and East set new median price records of \$651,590 and \$772,500. North Brooklyn median sales price rose 4.6% to \$1,087,500, and Northwest Brooklyn declined

8.4% to \$1,168,000 respectively from the year-ago quarter. All price trend indicators for Brownstones moved higher as sales fell sharply. After ten quarters of consecutive year over year sales gains, borough-wide sales declined 13.9% to 2,411. This sales decline overpowered the 10.8% decrease in listing inventory to 2,043. Luxury listing inventory declined 21.8% to 197 from the prior-year quarter. The sales of new development condos declined 20% to 244

over the same period, representing 10.1% of all borough sales and 33.8% of all condo sales. Fewer sales generally occurred at all price points suggesting the slowdown was more of a market-wide phenomenon rather than a niche pattern. As a result, the pace of the market continued to slow after three years of acceleration but still remained at a blistering pace. The absorption rate, the number of months to sell all listing inventory at the current rate of sales, was 2.5

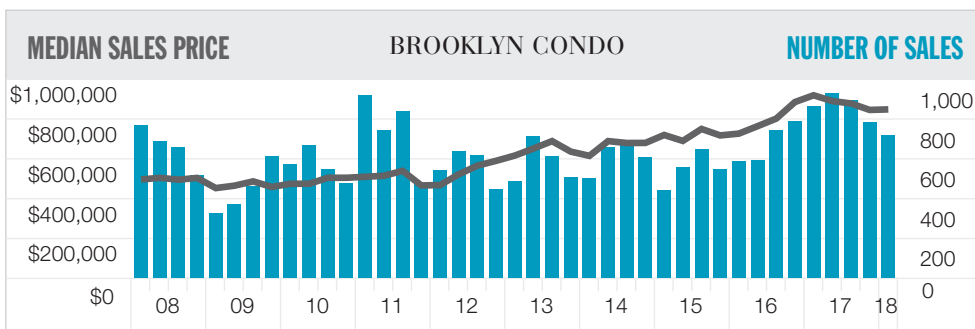
months, unchanged from the year-ago quarter. The average days on market fell 13.4% to 84 days and listing discount nearly doubled to 5% respectively from the prior-year quarter. The market share of bidding wars, defined as sales where the purchase price was above the listing price at time of contract, declined 3.5% to an 18.1% share as the pace of the market eased slightly.

CONDOS

- Price trend indicators, listing inventory and number of sales declined
- With listing inventory declining faster than sales, the market pace was faster
- Days on market shortened as listing discount widened

Condo Market Matrix	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$1,045,015	0.8%	\$1,037,209	-13.2%	\$1,203,255
Average Price Per Sq Ft	\$1,083	1.0%	\$1,072	-5.5%	\$1,146
Median Sales Price	\$858,177	0.3%	\$855,500	-7.6%	\$929,000
Number of Sales	722	-8.1%	786	-16.9%	869
Days on Market (From Last List Date)	90	-15.9%	107	-10.9%	101
Listing Discount (From Last List Price)	3.1%		2.4%		1.4%
Listing Inventory	595	-0.7%	599	-22.6%	769
Absorption Rate (Mos)	2.5	8.7%	2.3	-7.4%	2.7

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$1,897,844	-18.2%
4/5	\$1,119,717	-18.5%
3/5	\$858,177	-7.6%
2/5	\$664,942	-1.0%
1/5	\$450,529	-0.8%

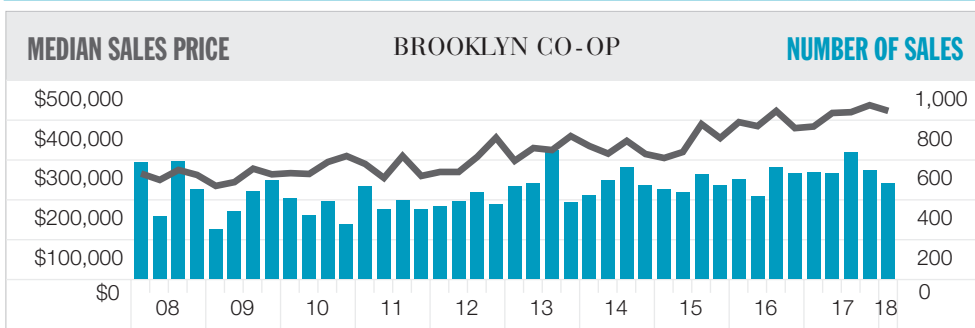


CO-OPS

- Median sales price rose but fell short of record unlike prior three quarters
- Number of sales and listing inventory fell short of year-ago level
- Shorter marketing time with more negotiability

Co-op Market Matrix	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$575,917	2.3%	\$563,040	10.3%	\$521,953
Median Sales Price	\$428,211	-3.2%	\$442,500	10.1%	\$389,000
Number of Sales	482	-11.7%	546	-10.2%	537
Days on Market (From Last List Date)	79	8.2%	73	-9.2%	87
Listing Discount (From Last List Price)	3.2%		-2.0%		2.4%
Listing Inventory	377	25.2%	301	-17.3%	456
Absorption Rate (Mos)	2.3	35.3%	1.7	-8.0%	2.5

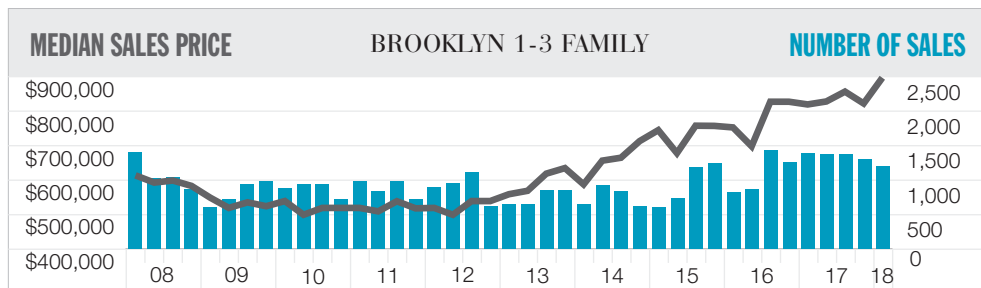
Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$1,125,000	8.8%
4/5	\$615,000	4.2%
3/5	\$428,211	10.1%
2/5	\$299,000	12.4%
1/5	\$192,066	16.4%



1-3 FAMILY

- Median sales price rose to new record, the third record in the past four quarters
- Number of sales declined as listing inventory edged higher
- Shorter marketing time with more negotiability

1-3 Family Market Matrix	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$1,106,656	5.0%	\$1,053,850	5.9%	\$1,045,305
Average Price Per Sq Ft	\$502	3.9%	\$483	6.6%	\$471
Median Sales Price	\$900,000	9.1%	\$825,000	9.5%	\$822,100
Number of Sales	1,207	-7.3%	1,302	-13.4%	1,394
Days on Market (From Last List Date)	80		93		99
Listing Discount (From Last List Price)	8.5%		8.4%		5.4%
Listing Inventory	1,071	32.1%	811	0.6%	1,065
Absorption Rate (Mos)	2.7	42.1%	1.9	17.4%	2.3



North Market Matrix	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$1,290,677	0.7%	\$1,282,340	9.1%	\$1,182,955
Average Price Per Sq Ft	\$896	-10.5%	\$1,001	-14.2%	\$1,044
Condo	\$1,005	-5.4%	\$1,062	-12.4%	\$1,147
Median Sales Price	\$1,087,500	-1.4%	\$1,102,401	4.6%	\$1,040,000
Number of Sales	174	-23.0%	226	-29.0%	245

South Market Matrix	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$770,161	4.4%	\$737,641	3.8%	\$742,266
Median Sales Price	\$651,590	4.3%	\$625,000	2.1%	\$638,442
Condo	\$615,004	-0.6%	\$619,000	0.0%	\$615,000
Co-op	\$300,000	0.3%	\$299,000	11.1%	\$270,000
1-3 Family	\$850,000	6.3%	\$800,000	7.6%	\$790,000
Number of Sales	1,240	-7.9%	1,346	-7.8%	1,345

East Market Matrix	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$859,410	3.1%	\$833,531	8.3%	\$793,613
Median Sales Price	\$772,500	0.1%	\$771,935	12.1%	\$689,000
Condo	\$701,159	-2.5%	\$719,000	11.6%	\$628,112
1-3 Family	\$825,000	5.1%	\$785,000	13.6%	\$726,059
Number of Sales	466	-1.3%	472	-8.8%	511

Northwest Market Matrix	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$1,483,549	6.0%	\$1,399,913	-4.8%	\$1,558,462
Median Sales Price	\$1,168,000	16.9%	\$999,000	-8.4%	\$1,275,000
Condo	\$1,294,500	20.4%	\$1,075,000	-13.3%	\$1,493,323
Co-op	\$715,000	-7.7%	\$775,000	8.8%	\$657,466
1-3 Family	\$2,250,000	-6.3%	\$2,400,000	2.3%	\$2,200,000
Number of Sales	531	-8.9%	583	-24.0%	699

Brownstone Market Matrix	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$2,522,806	-6.3%	\$2,692,287	7.7%	\$2,342,067
Average Price Per Sq Ft	\$982	-3.6%	\$1,019	11.6%	\$880
Median Sales Price	\$2,250,000	-6.3%	\$2,400,000	2.3%	\$2,200,000
1-Family	\$2,399,000	-4.6%	\$2,515,000	4.3%	\$2,300,000
2-Family	\$1,970,000	-6.2%	\$2,100,000	-12.4%	\$2,250,000
3-Family	\$2,431,250	10.8%	\$2,195,000	33.2%	\$1,825,000
Number of Sales	102	17.2%	87	-25.5%	137

Quintiles	Med. Sales Price	%Δ (YR)
5/5	\$1,951,000	2.7%
4/5	\$1,250,000	8.7%
3/5	\$900,000	9.5%
2/5	\$660,000	10.0%
1/5	\$427,480	9.6%

Brooklyn Market by LOCATION

NORTH

- Average and median sales price pressed higher
- Number of sales fell sharply as marketing time increased

SOUTH

- Price trend indicators rose to new records
- Number of sales declined

EAST

- Average and median sales price set new records
- Number of sales declined as marketing time edged higher

NORTHWEST

- Average and median sales price declined
- Number of sales fell sharply

BROWNSTONE

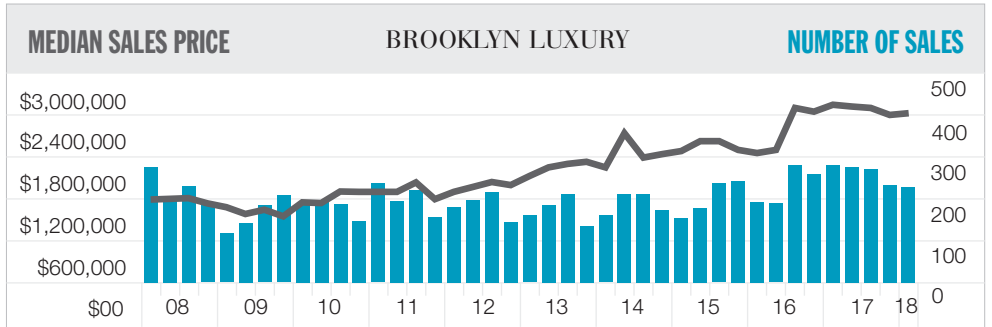
- Price trend indicators continued to rise
- Number of sales fell sharply

LUXURY

- All price trend indicators fell short of year-ago levels
- Listing inventory continued to decline
- Luxury entry threshold slipped

Luxury Mix	Luxury Sales Share	Median Sales Price
Condo	33.6%	\$2,350,000
Co-op	6.6%	\$2,275,000
1-3 Family	59.8%	\$2,450,000

Luxury Market Matrix	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$2,788,647	0.0%	\$2,787,519	-3.7%	\$2,894,385
Median Sales Price	\$2,425,000	1.0%	\$2,400,000	-4.7%	\$2,545,625
Number of Sales	229	-1.7%	233	-18.5%	281
Days on Market (From Last List Date)	103	-4.6%	108	-20.8%	130
Listing Discount (From Last List Price)	5.5%		6.0%		4.0%
Listing Inventory	197	19.4%	165	-21.8%	252
Absorption Rate (Mos)	2.6	23.8%	2.1	-3.7%	2.7
Entry-Price Threshold	\$1,839,857	-0.5%	\$1,849,735	-6.6%	\$1,970,313

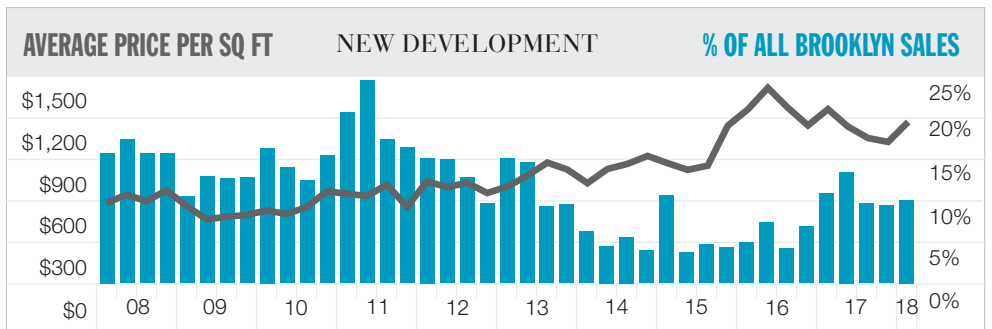


NEW DEVELOPMENT Condos

- Price trend indicators and average square footage declined
- Number of sales declined as listing inventory edged higher
- Marketing time declined as negotiability expanded

New Development Mix	Condo Sales Share	Median Sales Price
< \$1M	56.6%	\$787,304
\$1M - \$3M	37.7%	\$1,625,236
> \$3M	5.7%	\$4,255,488

New Development Market Matrix	Q1-2018	%Δ (QTR)	Q4-2017	%Δ (YR)	Q1-2017
Average Sales Price	\$1,324,707	13.1%	\$1,171,254	-17.9%	\$1,613,137
Average Price Per Sq Ft	\$1,173	14.0%	\$1,029	-7.3%	\$1,265
Median Sales Price	\$959,155	-0.2%	\$961,465	-33.2%	\$1,435,000
Number of Sales	244	-1.2%	247	-20.0%	305
Days on Market (From Last List Date)	104	-44.7%	188	-29.3%	147
Listing Discount (From Last List Price)	2.5%		3.3%		-0.4%
Listing Inventory	102	-11.3%	115	12.1%	91
Absorption Rate (Mos)	1.3	-7.1%	1.4	44.4%	0.9
Sales Share of All Condos	33.8%		31.4%		35.1%



NEIGHBORHOODS OF BROOKLYN

NORTH BROOKLYN

Greenpoint
Williamsburg

NORTHWEST BROOKLYN

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

SOUTH BROOKLYN

Fort Greene
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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Email report author Jonathan J. Miller at jmiller@millersamuel.com
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Douglas Elliman
Real Estate
575 Madison Avenue
New York, NY 10022
212.891.7000
elliman.com

Miller Samuel Real Estate
Appraisers & Consultants
21 West 38th Street
New York, NY 10018
212.768.8100
millersamuel.com

BROOKLYN SALES & RENTALS 43 5th Ave 347.844.9162 • 156 Montague Street 718.780.8100 • 154 Seventh Avenue 718.840.2000 • 325 Court Street 718.522.2929 • 490 Driggs Avenue 718.486.4400 • 664 Fulton Street 718.715.7000 • 1207 Cortelyou Road 718.856.3572
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