

# MANHATTAN MARKET REPORT

## 4Q 2017



“ As we move into 2018, savvy buyers are finding opportunities, even as uncertainty about the new tax plan has impacted the Manhattan Market place negatively in the fourth quarter of 2017. At the end of the year, the luxury buyers held off on purchasing until details of the new tax rates and possible deductions become clear in 2018. On the upside, this presents an opportunity for those savvy buyers and investors to jump in and take advantage of softening prices in the suffering new development and condominium sectors.

Some forecast a rebound, which we could begin to see the result of as we get deeper into 2018. Properties priced under 1.2 million, mostly Manhattan’s generous stock of pre-war and coop apartments, showed much more resilience at the end of 2017, where multiple offers and bidding wars were common. This segment’s sales activity has been holding tight, which is expected to continue throughout the coming year.”

*Lea Governale*

*Managing Broker, Rockefeller Center*

## GLOSSARY

**Days On Market** - The median number of days for a property to go from original listing to full contract execution. Units on the market longer than two years are considered outliers and removed.

**Supply** - The level of real active inventory on the last day of the quarter. Listings are not considered active if they have not been updated in 30 days or if they have been on the market for more than two years.

**Sales Volume** - The number of residential sales filed with the City Register of New York approximately one week prior to the quarter ending. As sales come in on a rolling basis, all prior quarters are updated as more sales files become public record.

**Price Per Square Foot (PPSF)** - The median price per square foot for all residential sales filed with the City Register of New York that have a known listing size. The measure is derived by dividing the sales price by the listed size. Sales under \$200,000 are excluded.

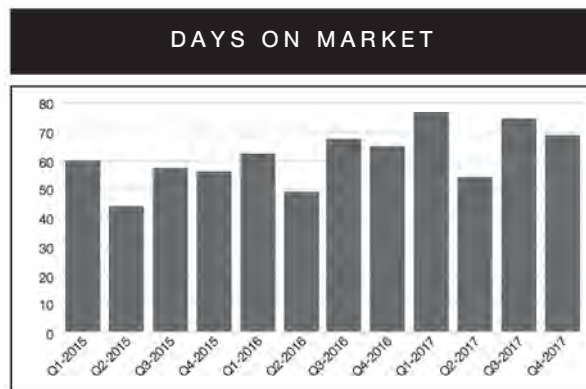
**Sales Prices** - The median and average sales price for all residential sales filed with the City Register of New York. Sales under \$200,000 are excluded.

**Contract Activity** - The total number of new contracts signed during the quarter. Sales not listed as active prior to contract signing are excluded.

**New Supply** - The total number of new listings that came on the market during the quarter.

# MANHATTAN MARKET-WIDE OVERVIEW

MANHATTAN MARKET-WIDE METRICS	Q4 2017	% Change (Q4 2017 v Q3 2017)	Q3 2017	% Change (Q4 2017 v Q4 2016)	Q4 2016
Avg Sales Price	\$1,988,437	+1.33%	\$1,962,318	-3.95%	\$2,070,275
Median Sales Price	\$1,113,652	-4.00%	\$1,160,000	+7.08%	\$1,040,000
Median Price/Sqft	\$1,383	+1.17%	\$1,367	+1.02%	\$1,369
Median Days on Mkt	97	+41.61%	68	+49.23%	65
Supply	4,640	-21.12%	5,882	+14.88%	4,039
Sales Volume	2,772	-21.32%	3,523	-6.19%	2,955



The Manhattan real estate market closed the year on a mixed note. Volatility at the higher end of the price spectrum reduced the average sales price by 3.95% to \$1,988,437 versus 4Q16, while the overall median sales price increased 7.08% to \$1,113,652 compared to the same period. Median price per square foot, a broad measure of overall price action, increased 1.02% to \$1,383, while the time it took to sell increased to 97 days from 65 days a year ago. Manhattan coops, in particular, continued to demonstrate price stability, while the condos and townhouse markets saw decreases in average price.

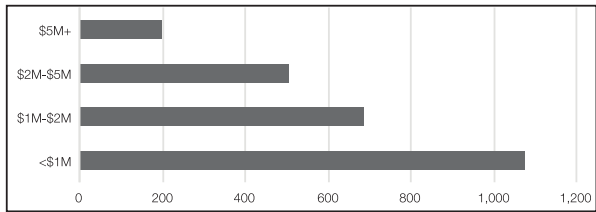
For the past several quarters, fluctuation in luxury unit pricing, especially in new developments, has affected quarterly sales figures. This quarter is no different, as the median and the average are divergent once again, but we are beginning to see the upper end of the market approach equilibrium, as buyers for \$5M+ listings appear back on the hunt. Similarly, we are seeing a firming demand in the \$2M-\$5M range, as more accurately priced listings have encouraged reluctant demand. As in the previous quarter, the \$1M-\$2M and <\$1M markets remain balanced, with continued demand for affordable units lifting year over year averages for both slightly higher.

As 2018 gets underway and the real estate market enters its traditionally active season, we expect the specific price tiers to remain within their current trends. While the luxury markets remain a concern, a general reduction in aspirational pricing, combined with increased buyer activity hints that volatility may be subdued in the new year. While there has been much made of the recent Tax Cuts and Jobs Act, the effect on Manhattan real estate remains to be seen, however, we continue to see a transactional market, with correctly priced units moving apace.

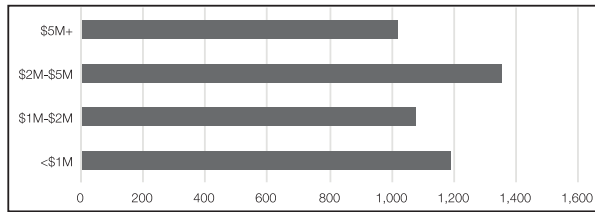
# INSIGHTS BY PRICE TIER

METRIC	<\$1M	YoY CHG	\$1M-\$2M	YoY CHG	\$2M-\$5M	YoY CHG	%5M+	YoY CHG
Avg Sales Price	\$650,774	+2.56%	\$1,451,357	+1.88%	\$3,041,942	+1.39%	\$9,844,394	-1.89%
Median Price / SFT	\$1,013	+1.30%	\$1,421	-1.46%	\$1,812	-0.55%	\$2,682	+3.31%
Supply	1,557	+37.79%	1,432	+29.71%	1,726	+31.35%	1,164	+14.12%
Days on Market	55	+3.77%	70	-7.28%	104	+44.44%	151	+13.53%

Q4 CONTRACT ACTIVITY BY PRICE TIER



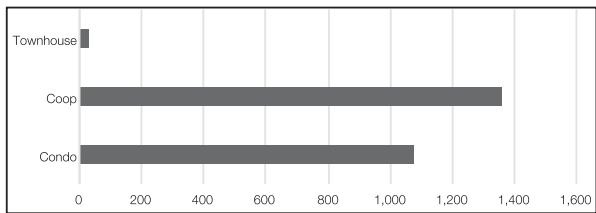
Q4 NEW SUPPLY BY PRICE TIER



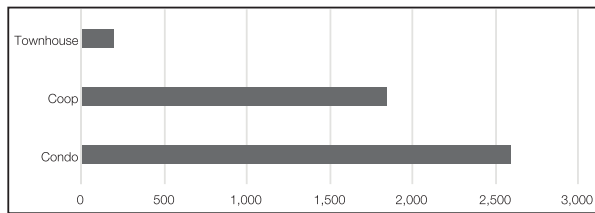
# INSIGHTS BY PROPERTY TYPE

METRIC	CONDO	YoY CHG	COOP	YoY CHG	TOWNHOUSE	YoY CHG
Avg Sales Price	\$2,682,299	-7.63%	\$1,345,262	+10.47%	\$5,092,028	-15.07%
Median Price / SFT	\$1,587	-1.61%	\$1,046	+4.60%	\$1,449	+30.31%
Supply	3,252	+43.51%	1,850	+14.69%	199	+24.38%
Days on Market	88	+7.32%	59	+10.19%	152	+19.69%

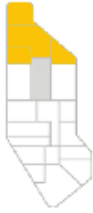
Q4 CONTRACT ACTIVITY BY PROPERTY TYPE





Q4 NEW SUPPLY BY PRICE TIER





# INSIGHTS MAIN NEIGHBORHOOD/BED COUNT

 <p>Upper Manhattan</p>	OVERALL	STUDIOS	1 BED
	<p><b>\$835,313</b></p> <p>YoY % Chg <b>+5.61%</b></p> <p>QTR % Chg <b>-3.39%</b></p>	<p><b>\$367,000</b></p> <p>YoY % Chg <b>+10.30%</b></p>	<p><b>\$529,617</b></p> <p>YoY % Chg <b>+3.46%</b></p>
		2 BEDS	3+ BEDS
	<p><b>\$843,968</b></p> <p>YoY % Chg <b>+7.78%</b></p>	<p><b>\$1,578,411</b></p> <p>YoY % Chg <b>+5.56%</b></p>	

 <p>Upper West Side</p>	OVERALL	STUDIOS	1 BED
	<p><b>\$2,280,488</b></p> <p>YoY % Chg <b>+6.47%</b></p> <p>QTR % Chg <b>+27.05%</b></p>	<p><b>\$544,720</b></p> <p>YoY % Chg <b>+5.56%</b></p>	<p><b>\$1,088,074</b></p> <p>YoY % Chg <b>+27.49%</b></p>
		2 BEDS	3+ BEDS
	<p><b>\$2,108,470</b></p> <p>YoY % Chg <b>+13.68%</b></p>	<p><b>\$4,742,523</b></p> <p>YoY % Chg <b>-14.81%</b></p>	

 <p>Upper East Side</p>	OVERALL	STUDIOS	1 BED
	<p><b>\$1,965,944</b></p> <p>YoY % Chg <b>-2.39%</b></p> <p>QTR % Chg <b>-3.07%</b></p>	<p><b>\$608,605</b></p> <p>YoY % Chg <b>+28.80%</b></p>	<p><b>\$894,885</b></p> <p>YoY % Chg <b>+14.38%</b></p>
		2 BEDS	3+ BEDS
	<p><b>\$1,803,697</b></p> <p>YoY % Chg <b>-1.27%</b></p>	<p><b>\$4,600,935</b></p> <p>YoY % Chg <b>-12.80%</b></p>	

 <p>Midtown</p>	OVERALL	STUDIOS	1 BED
	<p><b>\$1,847,147</b></p> <p>YoY % Chg <b>-8.81%</b></p> <p>QTR % Chg <b>-6.62%</b></p>	<p><b>\$529,249</b></p> <p>YoY % Chg <b>-2.02%</b></p>	<p><b>\$977,350</b></p> <p>YoY % Chg <b>-0.01%</b></p>
		2 BEDS	3+ BEDS
	<p><b>\$2,085,083</b></p> <p>YoY % Chg <b>+2.52%</b></p>	<p><b>\$6,355,333</b></p> <p>YoY % Chg <b>-11.80%</b></p>	

 <p>Downtown</p>	OVERALL	STUDIOS	1 BED
	<p><b>\$2,479,221</b></p> <p>YoY % Chg <b>-9.19%</b></p> <p>QTR % Chg <b>+0.65%</b></p>	<p><b>\$740,848</b></p> <p>YoY % Chg <b>+1.51%</b></p>	<p><b>\$1,171,730</b></p> <p>YoY % Chg <b>-3.68%</b></p>
		2 BEDS	3+ BEDS
	<p><b>\$2,152,741</b></p> <p>YoY % Chg <b>-17.82%</b></p>	<p><b>\$6,462,464</b></p> <p>YoY % Chg <b>-5.93%</b></p>	



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Properties

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