

Second Quarter 2018

Market Report Manhattan Residential

**Brown
Harris
Stevens**



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The median Manhattan apartment price **fell** for the fourth straight quarter.

Apartment prices averaged just over **\$2.1 million**, a 3% decline from the second quarter of 2017.



BrownHarrisStevens.com WEB# 18700107



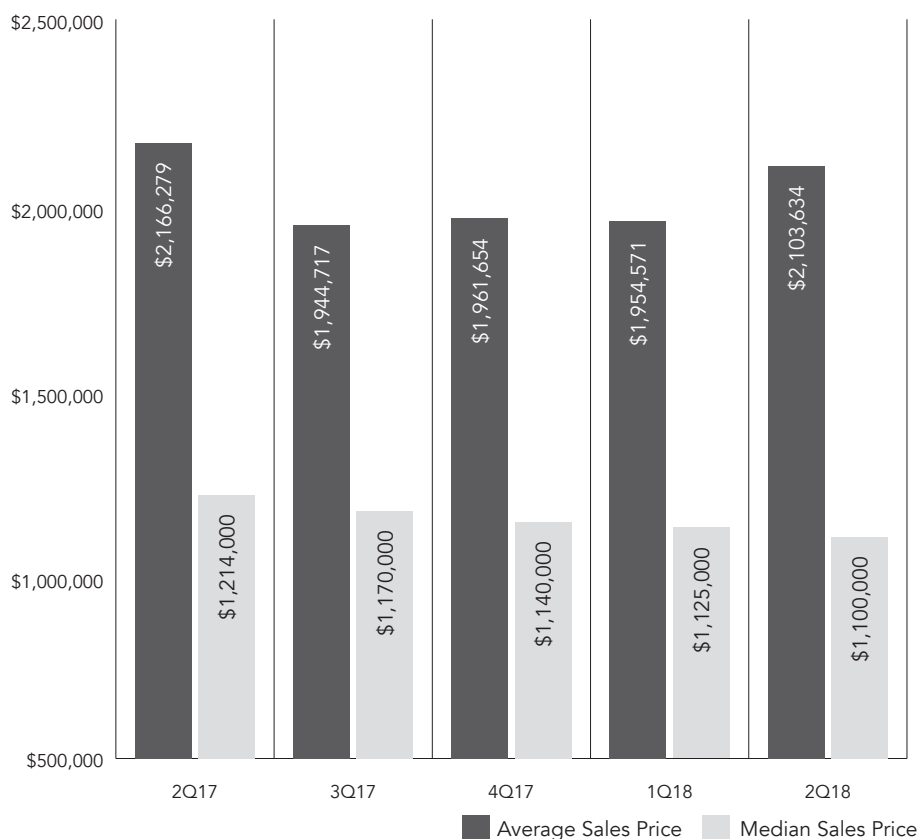
BrownHarrisStevens.com WEB# 16839238

Resale apartments sold for their **highest** discounts off asking prices in over five years.

There were **12%** fewer closings than 2017's second quarter.

The median apartment price of \$1,100,000 was down 9% from a year ago, and at its lowest level since the fourth quarter of 2016. A sluggish new development market continued to bring the average apartment price lower, with 30% fewer closings than a year ago. Currently, the average new apartment sells for more than double that of a resale one, so a sharp decline in these sales has a substantial impact on the overall average apartment price.

Average and Median Sales Price



Cooperative Average Sales Price

Only two-bedroom co-ops saw their average price increase over the past year, rising to \$1,620,329. All other sizes posted declines in average price, as higher inventory continues to push prices lower for many apartments.

	STUDIO	1-BEDROOM	2-BEDROOM	3+BEDROOM	ALL
2nd Q 17	\$477,499	\$787,621	\$1,500,799	\$3,957,571	\$1,417,464
3rd Q 17	\$482,176	\$780,445	\$1,457,503	\$3,767,372	\$1,376,208
4th Q 17	\$498,844	\$773,609	\$1,497,169	\$3,252,819	\$1,277,563
1st Q 18	\$464,868	\$754,981	\$1,512,560	\$4,021,879	\$1,400,766
2nd Q 18	\$465,030	\$768,051	\$1,620,329	\$3,741,386	\$1,430,432

Condominium Average Sales Price

Like co-ops, rising inventory has put downward pressure on condo prices, with their average price lower for all sizes of units except three-bedroom and larger ones. Overall, the average condo price was 3% lower than the second quarter of 2017.

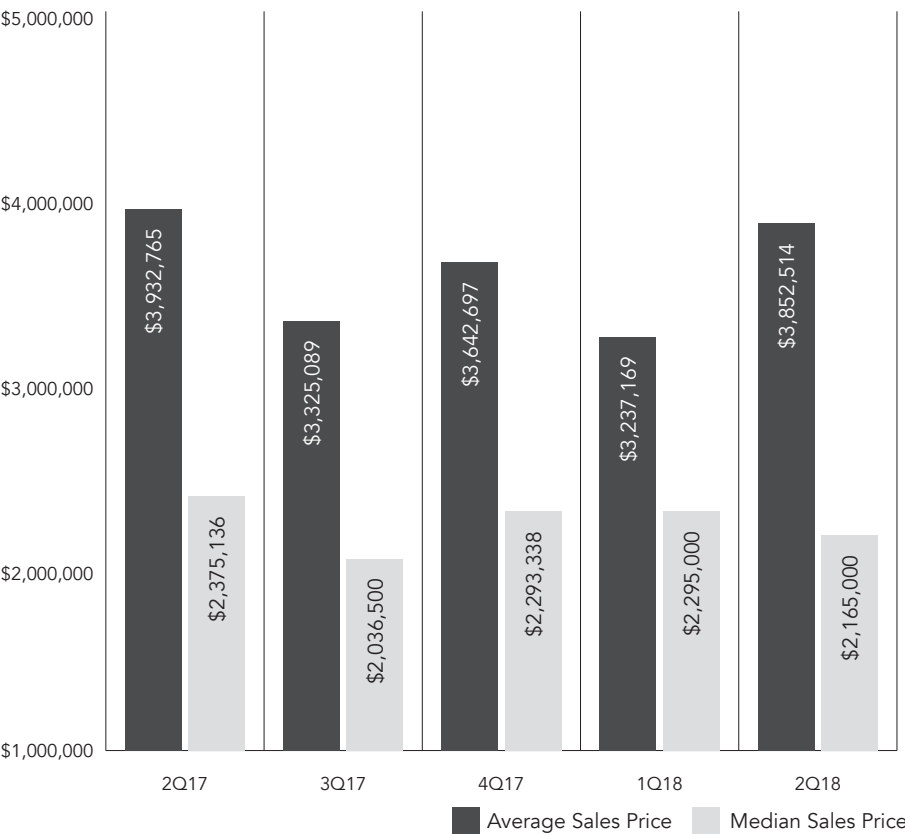
	STUDIO	1-BEDROOM	2-BEDROOM	3+BEDROOM	ALL
2nd Q 17	\$807,099	\$1,198,489	\$2,376,415	\$6,806,670	\$3,043,223
3rd Q 17	\$734,716	\$1,213,403	\$2,585,216	\$5,821,801	\$2,655,169
4th Q 17	\$759,417	\$1,189,534	\$2,335,905	\$6,504,706	\$2,735,219
1st Q 18	\$714,857	\$1,210,421	\$2,321,139	\$6,198,579	\$2,686,495
2nd Q 18	\$711,465	\$1,159,791	\$2,235,016	\$7,057,585	\$2,961,675

* Includes new development and resale apartments.

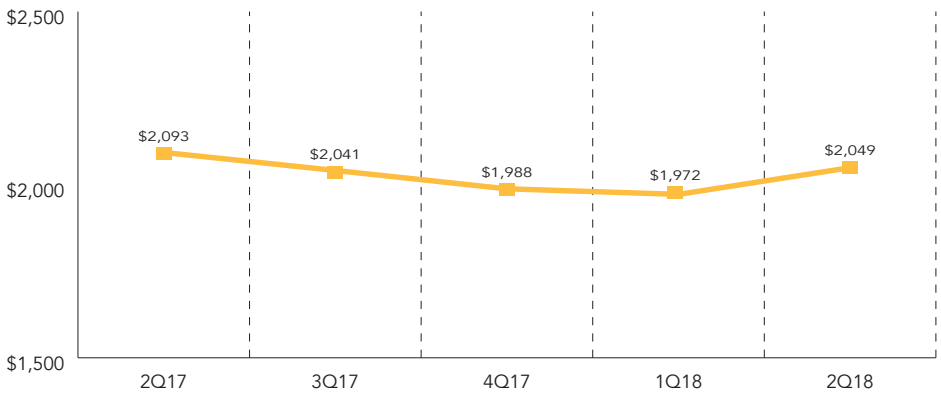
2Q18 data is preliminary and subject to revision in future reports. Data from the prior four quarters has been revised to include sales recorded after our initial reports were released.

Average and Median Sales Price

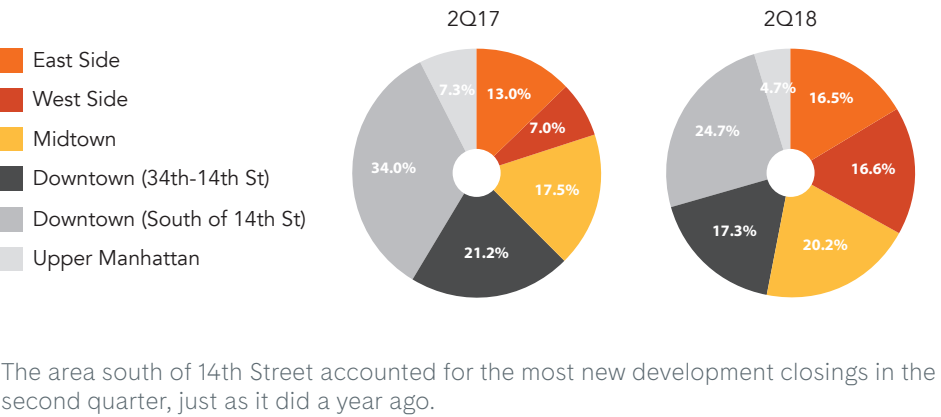
New development prices rebounded in the second quarter, but were still lower than a year ago. The big news in this market remains the dramatic slowdown in closings, which were 30% lower than the second quarter of 2017.



Average Price Per Square Foot

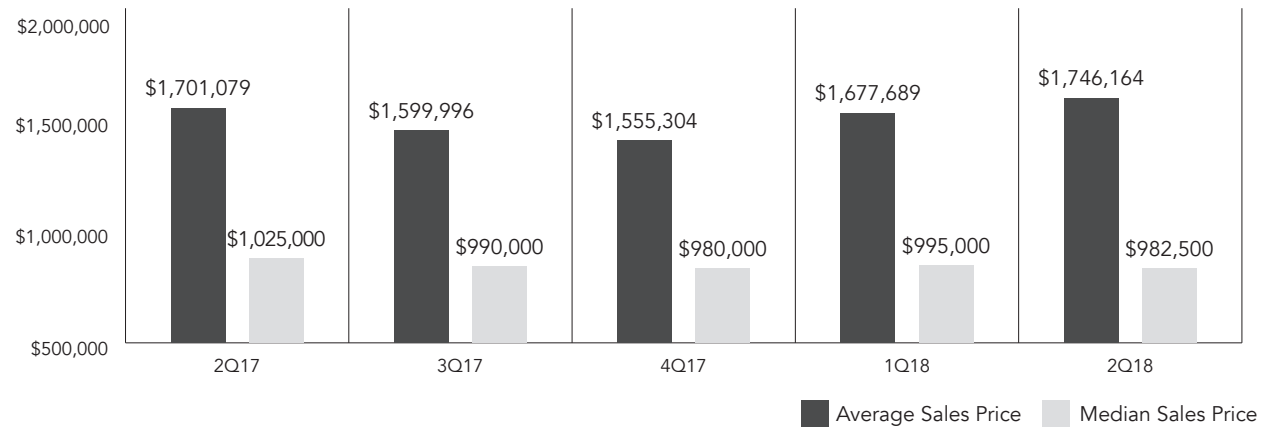


Sales by Area



Average and Median Sales Price

Aided by three closings over \$40 million, the average resale apartment price was 3% higher than a year ago. Higher inventory led sellers to cut their asking prices by the highest percentage in over five years, which was the last time absorption rates were this high. The median resale apartment price of \$982,500 was 4% lower than 2017's second quarter.



Cooperative Average Sales Price

Three-bedroom and larger resale co-ops saw their average price fall 7% over the past year, the largest decrease of any size category. Only two-bedroom co-ops had a higher average price compared to a year ago.

	STUDIO	1-BEDROOM	2-BEDROOM	3+BEDROOM	ALL
2nd Q 17	\$478,506	\$776,931	\$1,488,318	\$3,930,309	\$1,401,975
3rd Q 17	\$477,559	\$775,436	\$1,439,852	\$3,768,071	\$1,379,442
4th Q 17	\$496,128	\$776,701	\$1,476,833	\$3,175,733	\$1,269,829
1st Q 18	\$467,108	\$750,732	\$1,499,682	\$3,928,157	\$1,387,658
2nd Q 18	\$464,423	\$764,165	\$1,615,713	\$3,638,242	\$1,420,137

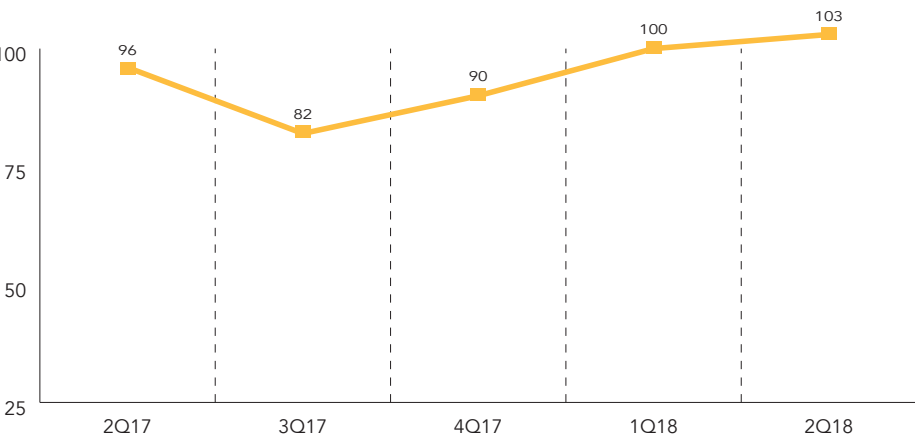
Condominium Average Sales Price

A jump in luxury closings helped bring the average price up 4% for resale condos from a year ago. Three-bedroom and larger resale condos experienced an increase in their average price, while all other size categories fell over the past year.

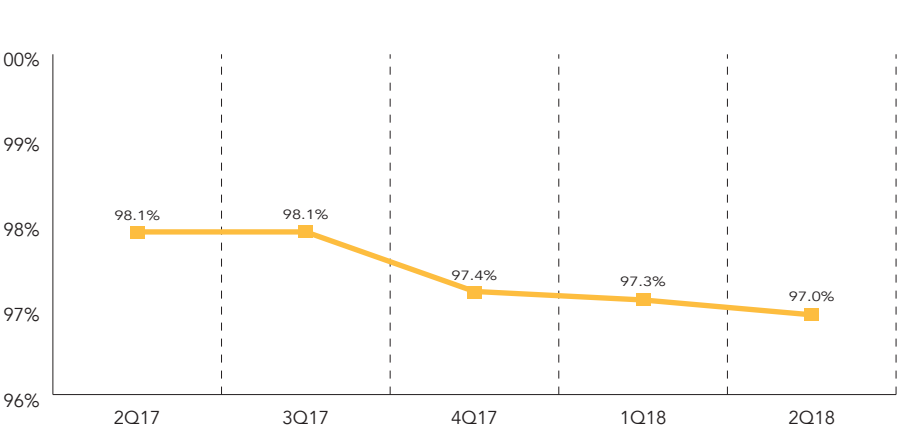
	STUDIO	1-BEDROOM	2-BEDROOM	3+BEDROOM	ALL
2nd Q 17	\$720,440	\$1,116,378	\$2,056,096	\$5,360,345	\$2,227,788
3rd Q 17	\$702,534	\$1,088,581	\$2,173,662	\$4,310,492	\$2,024,869
4th Q 17	\$716,189	\$1,125,883	\$2,104,030	\$4,923,895	\$2,027,577
1st Q 18	\$683,543	\$1,137,281	\$2,175,743	\$5,425,648	\$2,213,009
2nd Q 18	\$705,835	\$1,075,036	\$2,005,773	\$6,149,626	\$2,317,795

Resale apartments sold in the second quarter spent an average of 103 days on the market, 7% longer than a year ago and the most time since the first quarter of 2013. Sellers received on average 97.0% of their last asking price, the biggest discounts given since the first quarter of 2013.

Time on the Market



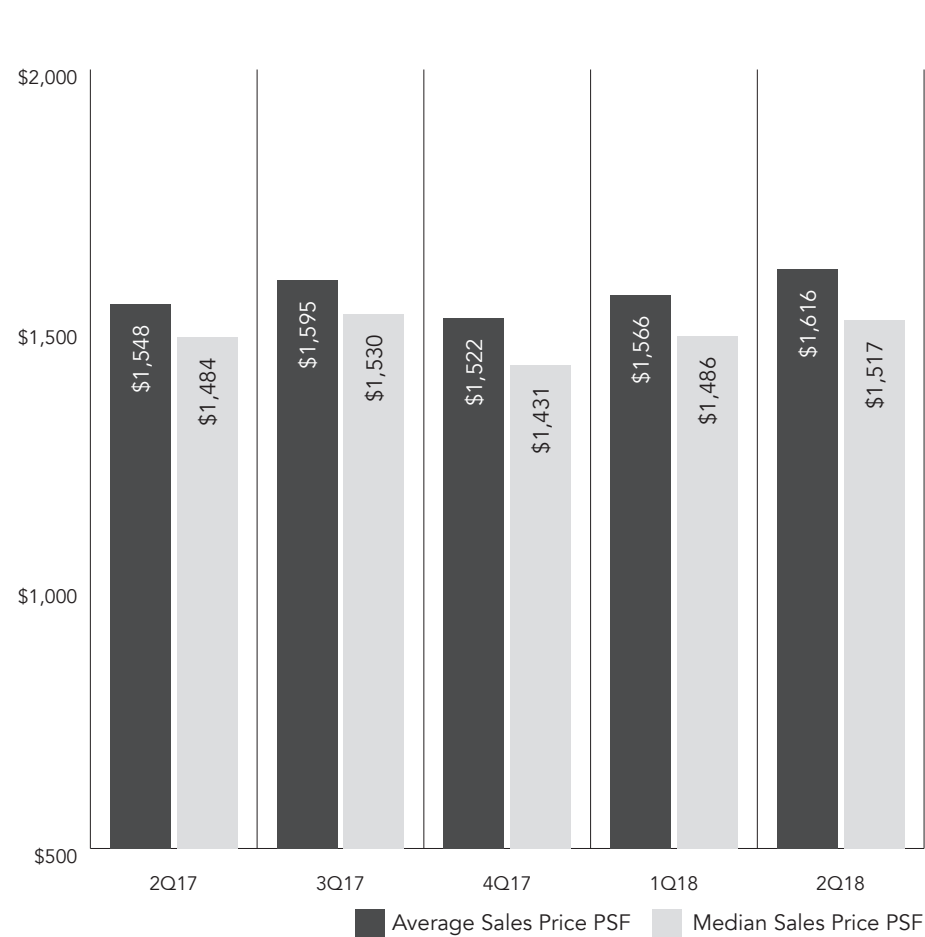
Selling vs. Last Asking Price



Lofts

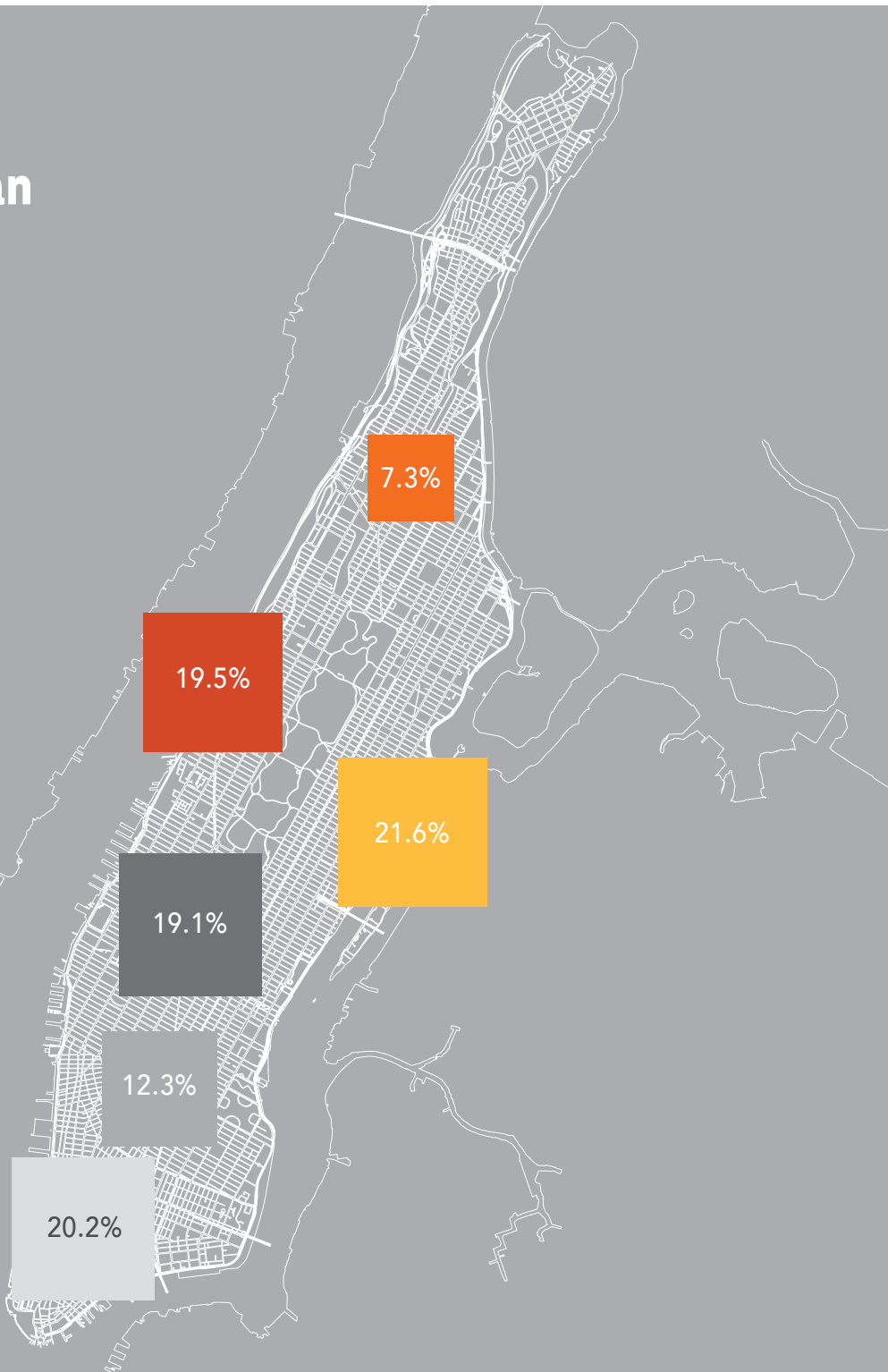
Loft apartments saw modest gains in both their average and median prices per square foot compared to a year ago.

Average and Median Sales Price Per Square Foot



Percentage of Resales in Manhattan

SECOND QUARTER 2018



- Upper Manhattan**
Generally north of 96th Street on the East Side, 110th Street on the West Side *page 12*
- West Side**
Generally 59th Street to 110th Street, Hudson River to west of Fifth Ave. *page 8*
- East Side**
Generally 59th Street to 96th Street, Fifth Ave. to the East River *page 7*
- Midtown**
34th Street to 59th Street, East River to the Hudson River *page 9*
- Downtown**
34th Street to 14th Street *page 10*
- Downtown**
South of 14th Street *page 11*

East Side Resale Apartments

Second Quarter 2018

Generally 59th St. to 96th St., Fifth Ave. to the East River



BrownHarrisStevens.com WEB# 18447826



BrownHarrisStevens.com WEB# 18196594

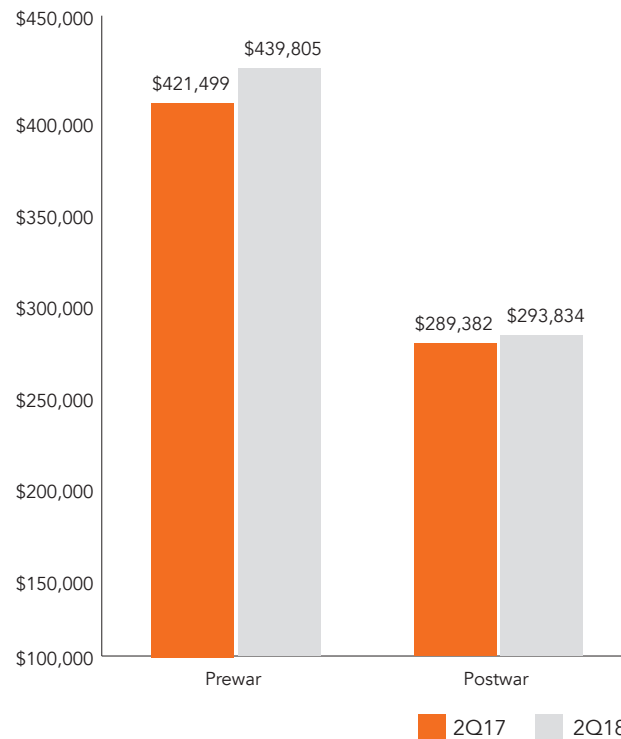
High inventory levels pushed the median price 16% lower for three-bedroom and larger resale apartments.

Condos saw their average price per square foot decline 10% from 2Q17.

		STUDIO	1-BEDROOM	2-BEDROOM	3+BEDROOM
Percent of Sales	2nd Q 17	12%	34%	32%	22%
	2nd Q 18	16%	35%	25%	24%
Median Price	2nd Q 17	\$435,000	\$763,750	\$1,558,500	\$3,650,000
	2nd Q 18	\$453,500	\$735,000	\$1,605,000	\$3,075,000
	% Change	4%	-4%	3%	-16%

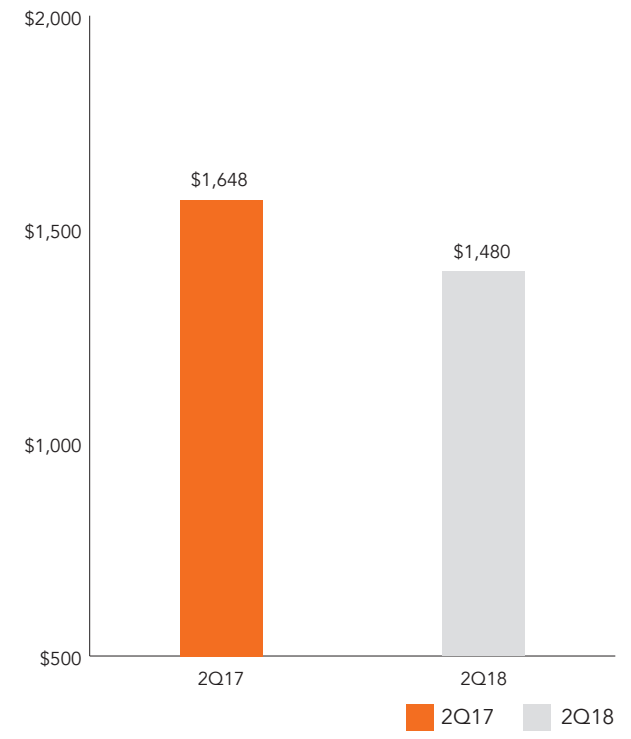
Cooperative

Average price per room



Condominium

Average price per square foot



West Side Resale Apartments

Second Quarter 2018

Generally 59th St. to 110th St., Hudson River to West of Fifth Ave.



BrownHarrisStevens.com WEB# 18564187



BrownHarrisStevens.com WEB# 18558568

The median price for all sizes of apartments was below last year's comparable period.

Prewar co-op prices averaged \$330,498 per room, 7% lower than a year ago.

		STUDIO	1-BEDROOM	2-BEDROOM	3+BEDROOM
Percent of Sales	2nd Q 17	12%	33%	36%	19%
	2nd Q 18	10%	31%	37%	22%
Median Price	2nd Q 17	\$516,250	\$815,000	\$1,565,000	\$3,338,000
	2nd Q 18	\$504,000	\$785,000	\$1,490,000	\$3,127,500
	% Change	-2%	-4%	-5%	-6%

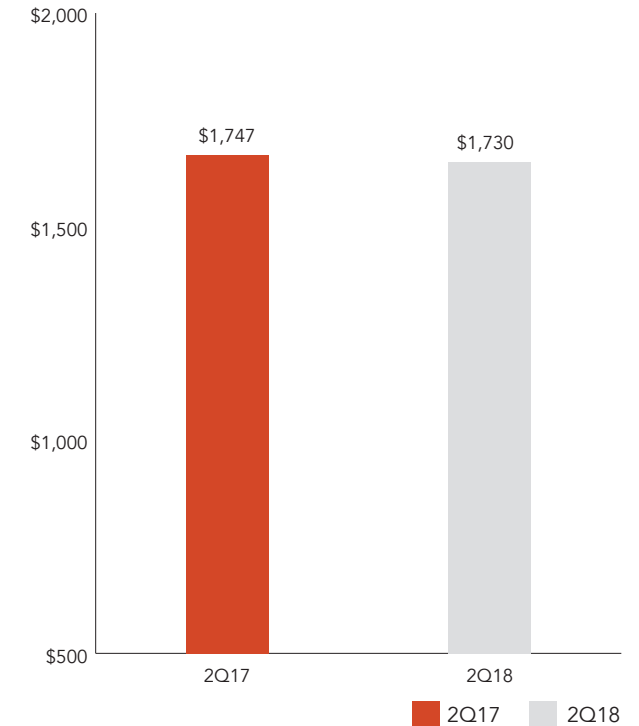
Cooperative

Average price per room



Condominium

Average price per square foot



Midtown Resale Apartments

Second Quarter 2018

34th St to 59th St, East River to the Hudson River



BrownHarrisStevens.com WEB# 18019805

		STUDIO	1-BEDROOM	2-BEDROOM	3+BEDROOM
Percent of Sales	2nd Q 17	22%	43%	27%	8%
	2nd Q 18	22%	41%	28%	9%
Median Price	2nd Q 17	\$440,000	\$802,500	\$1,450,000	\$2,540,000
	2nd Q 18	\$425,000	\$800,000	\$1,475,000	\$3,000,000
	% Change	-3%	0%	2%	18%

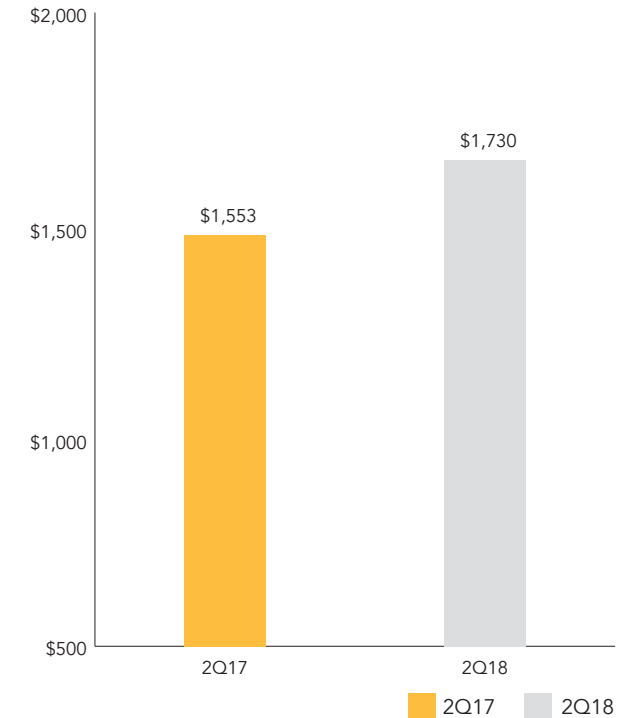
Cooperative

Average price per room



Condominium

Average price per square foot



Several luxury closings, many of which were at 432 Park Avenue, inflated the three-bedroom and larger median resale price in the second quarter.

This also is reflected in the 11% jump in the average condo price per square foot compared to a year ago.

Downtown Resale Apartments

Second Quarter 2018

34th St. to 14th St.



BrownHarrisStevens.com WEB# 17719830



BrownHarrisStevens.com WEB# 18653794

The median price fell sharply from 2017's second quarter in the two- and three-bedroom and larger size categories.

Studio and one-bedroom apartments had more modest declines in their median price.

		STUDIO	1-BEDROOM	2-BEDROOM	3+BEDROOM
Percent of Sales	2nd Q 17	20%	49%	22%	9%
	2nd Q 18	26%	49%	22%	3%
Median Price	2nd Q 17	\$550,000	\$900,000	\$2,017,500	\$3,550,000
	2nd Q 18	\$545,000	\$867,250	\$1,512,500	\$2,550,000
	% Change	-1%	-4%	-25%	-28%

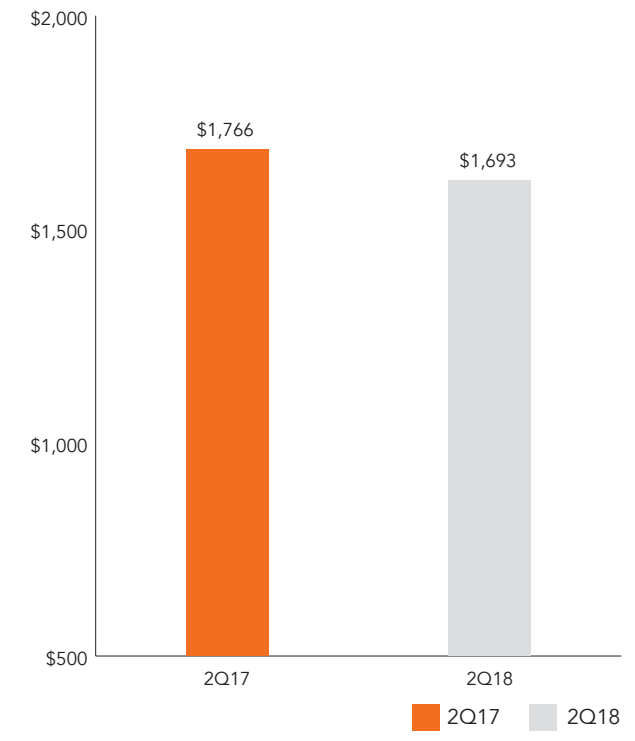
Cooperative

Average price per room



Condominium

Average price per square foot



Downtown Resale Apartments

Second Quarter 2018

South of 14th St.



BrownHarrisStevens.com WEB# 18527830



BrownHarrisStevens.com WEB# 18490499

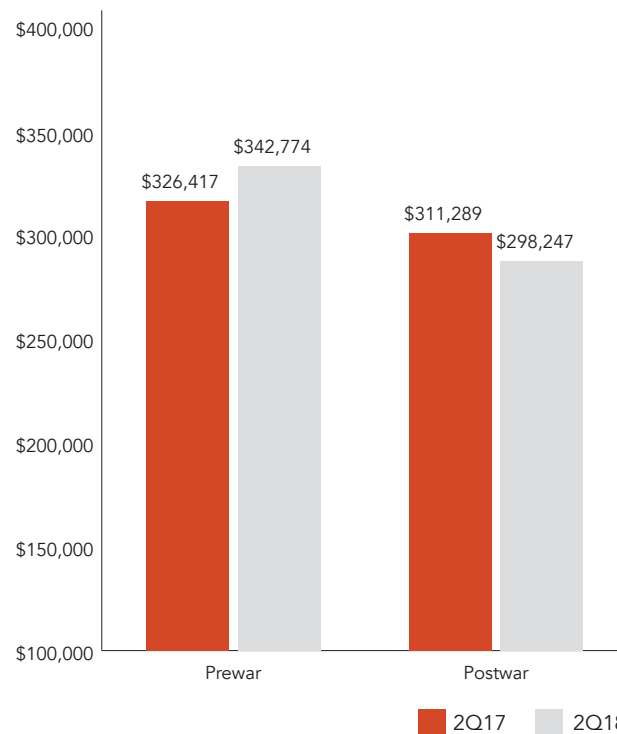
One-bedroom apartments were the only size category to show an increase in median price over the past year.

The average condo price per square foot fell 5% from 2Q17, to \$1,652.

		STUDIO	1-BEDROOM	2-BEDROOM	3+BEDROOM
Percent of Sales	2nd Q 17	17%	42%	31%	10%
	2nd Q 18	21%	39%	30%	10%
Median Price	2nd Q 17	\$640,000	\$905,520	\$1,820,000	\$3,812,500
	2nd Q 18	\$556,750	\$925,000	\$1,606,500	\$3,452,000
	% Change	-13%	2%	-12%	-9%

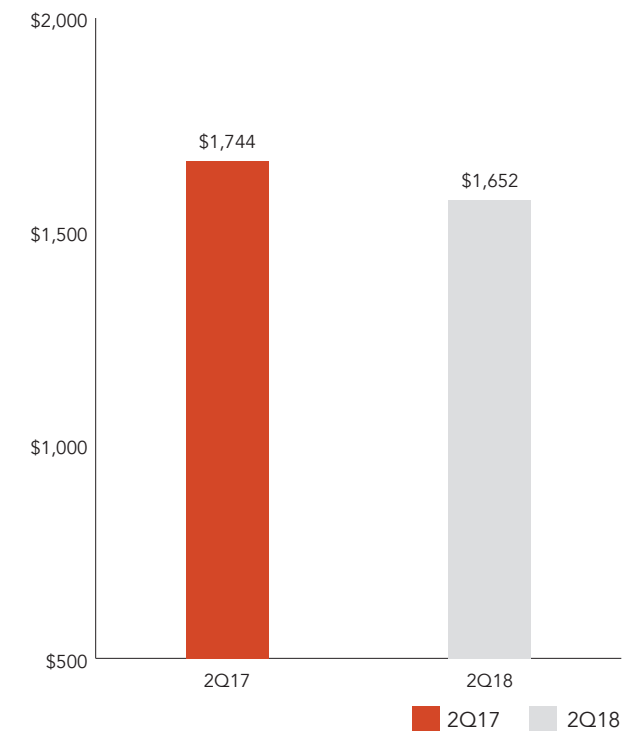
Cooperative

Average price per room



Condominium

Average price per square foot



Upper Manhattan Resale Apartments

Second Quarter 2018

Generally North of 96th Street on the East Side, and 110th St. on the West Side



BrownHarrisStevens.com WEB# 18527666



BrownHarrisStevens.com WEB# 18051878

Co-op prices rose for both prewar and postwar units.

The average condo price reached \$972 per square foot, 3% more than a year ago.

		STUDIO	1-BEDROOM	2-BEDROOM	3+BEDROOM
Percent of Sales	2nd Q 17	5%	30%	47%	18%
	2nd Q 18	8%	40%	34%	18%
Median Price	2nd Q 17	\$370,000	\$450,000	\$773,500	\$965,000
	2nd Q 18	\$312,000	\$525,000	\$737,500	\$960,000
	% Change	-16%	17%	-5%	-1%

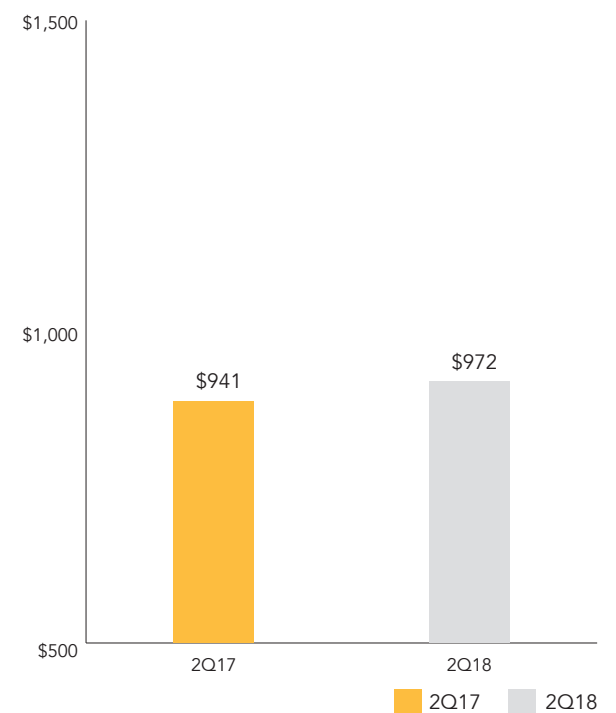
Cooperative

Average price per room



Condominium

Average price per square foot



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This report is based on 2,245 second quarter sales, 12% fewer than the same period a year ago.

Prepared by Gregory Heym, Chief Economist, and Alan Tsang, Senior Analyst, Brown Harris Stevens.

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