

BERKSHIRE  
HATHAWAY | New York  
HomeServices Properties

# MANHATTAN MARKET REPORT

2nd Quarter 2017

RESALE



# LETTER FROM THE PRESIDENT



We are pleased to introduce the very first Berkshire Hathaway HomeServices New York Properties' Manhattan Market Report, featuring market highlights for the second quarter of 2017.

The report's simplicity allows for a valuable understanding of year-over-year and quarter-over-quarter market performance in all areas of Manhattan residential real estate.

We took special care in preparing this report to provide a bird's-eye view of the analytics, with full clarity and transparency. The report is divided by three key information sources, each providing a unique perspective on the market:

**New Listings** – The inventory that has come to market within the quarter, based on listing date. This provides for the highest level of accuracy when we consider new market supply. Unlike with many other reports, we chose to examine the volume of listings brought to market each quarter as opposed to “total inventory,” which includes all active inventory even if listed before the given quarter.

**Contracts Signed** – The most-timely market demand indicator by reflecting buyers' willingness to buy, market conditions and price. Due to a lag in New York City's recorded sales reporting (ACRIS), contracts signed is the most complete market demand indicator for the latest quarter.

**Closed Sales** – Not all contracts reach the closing stage; thus, closed sales represent the net market demand at the final closing price. Closed data then becomes the most accurate price negotiability indicator.

An understanding of the market empowers both buyers and sellers to make well-informed, timely decisions. Our agents are available to personally provide individualized, in-depth analyses for any of your real estate needs; be it residential or commercial. You can reach us at 1.212.710.1900 or [contact@bhhsnyp.com](mailto:contact@bhhsnyp.com).

We are committed to providing information and resources of substance to our clients and welcome your feedback to make this even better.

Sincerely,

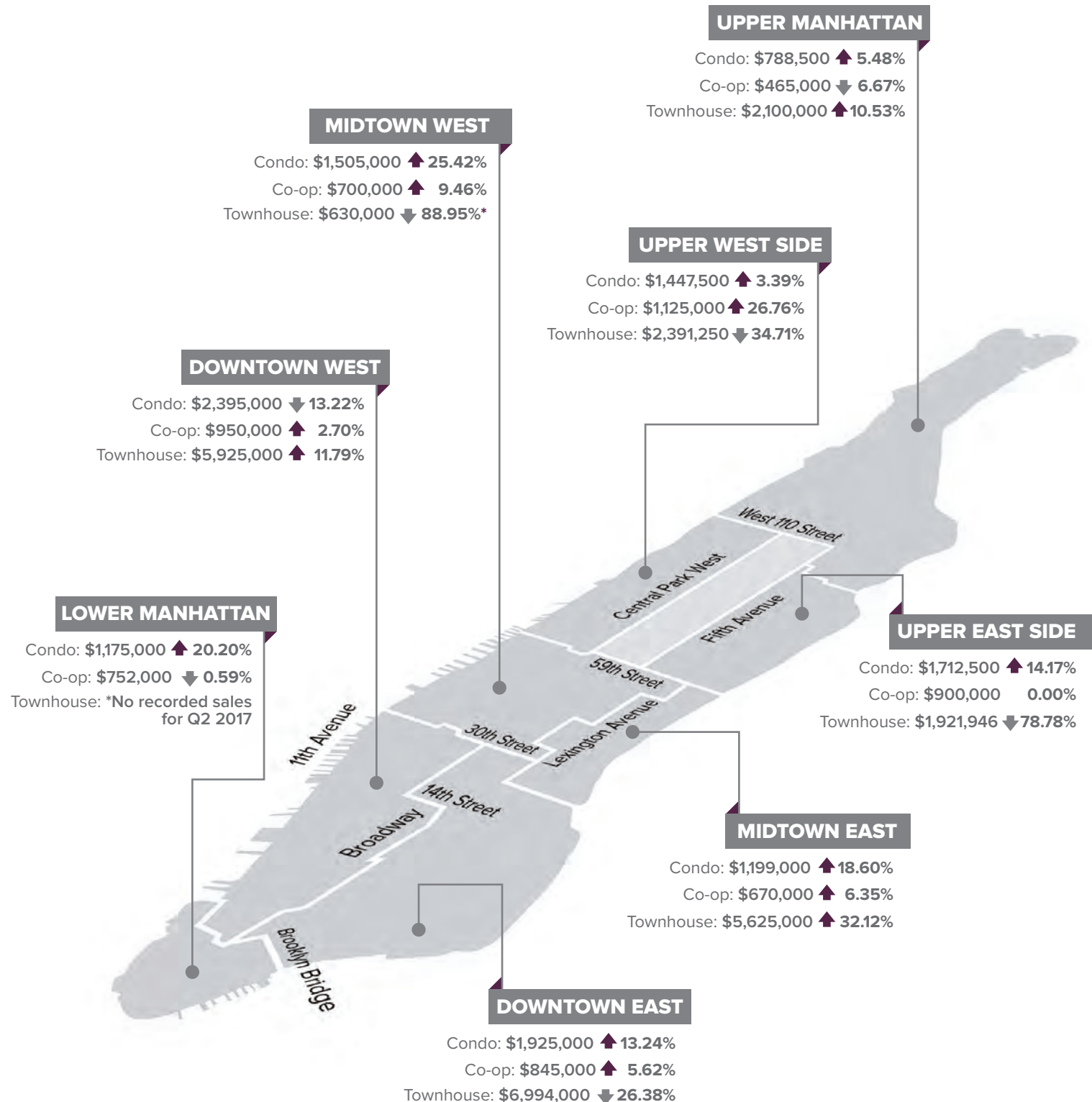
A handwritten signature in black ink, appearing to read 'Ellie Johnson', with a stylized flourish at the end.

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## MAJOR MARKET PERFORMANCE

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*year over year closed sales*



\* Due to a limited amount of townhouse inventory in Manhattan and its wide diversity, the price trends normally show heavy fluctuations.

# NEW LISTINGS


## MARKET SNAPSHOT BY TYPE

Q2 2017 Market Report MANHATTAN

### CONDO

% year over year


Median Listed Price  7.1%

# of New Listings  8.7%

METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Average Listed Price	\$3,072,352	\$3,261,690	\$2,961,666	-5.80%	3.74%
Median Listed Price	\$1,895,000	\$1,950,000	\$1,770,000	-2.82%	7.06%
Average SF	1,489	1,497	1,445	-0.53%	3.04%
Average PPSF	\$1,899	\$1,936	\$1,854	-1.91%	2.43%
# of New Listings	1,561	1,558	1,436	0.19%	8.70%

### CO-OP


Median Listed Price  5.4%

# of New Listings  8.7%

METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Average Listed Price	\$1,811,031	\$1,779,526	\$1,846,760	1.77%	-1.93%
Median Listed Price	\$949,000	\$950,000	\$900,000	-0.11%	5.44%
Average SF	1,193	1,221	1,211	-2.29%	-1.49%
Average PPSF	\$1,476	\$1,701	\$1,208	-13.23%	22.19%
# of New Listings	2,221	2,122	2,043	4.67%	8.71%

### TOWNHOUSE

Median Listed Price  22.8%

# of New Listings  6.8%

METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Average Listed Price	\$7,778,837	\$6,302,573	\$6,734,990	23.42%	15.50%
Median Listed Price	\$4,972,500	\$3,295,000	\$4,049,000	50.91%	22.81%
Average SF	4,688	3,914	3,510	19.78%	33.56%
Average PPSF	\$2,094	\$1,605	\$2,069	30.47%	1.21%
# of New Listings	110	101	103	8.91%	6.80%

The number of the new listings in the resale market increased by 9% on a year over year basis. New listings activity peaked in April and May, followed by a considerable decline in June due to seasonality.

New supply for condos and co-ops has shown a steady growth of 9%, with a 7% increase in median listed price for condos and 5% for co-ops. However, these pricing trends started sloping downwards in June, where condos fell by 16% and co-ops showed a 5% decline.

The townhouse market followed a similar pattern in terms of the number of new listings, increasing by almost 7%, while the median price skyrocketed by 23%. This large increase is likely due to a number of oversized townhouses coming on to the market in June at higher price points.

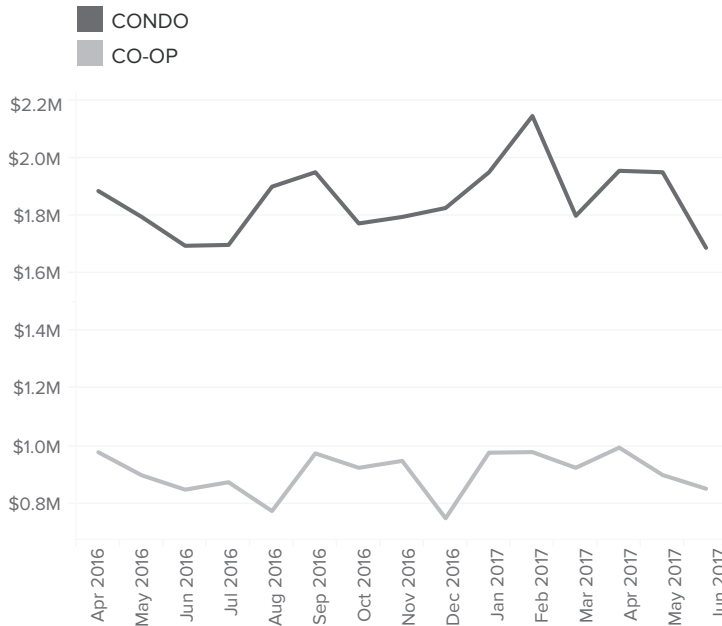
Due to a limited amount of townhouse inventory in Manhattan and its wide diversity, the price trends normally show heavy monthly fluctuations compared to condos and co-ops.



## MARKET SNAPSHOT BY TYPE

Q2 2017 Market Report MANHATTAN

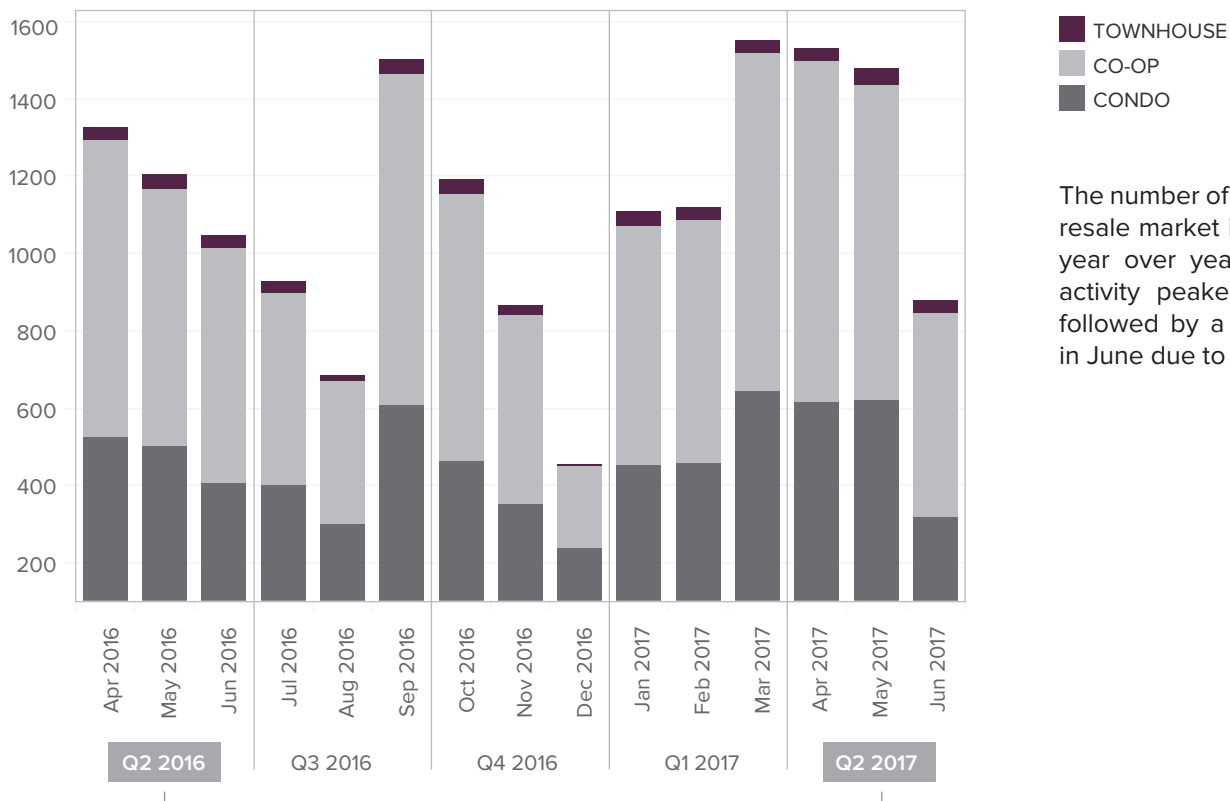
### MEDIAN LISTED PRICE BY TYPE



### TOWNHOUSE



### NUMBER OF NEW LISTINGS BY TYPE



The number of the new listings in the resale market increased by 9% on a year over year basis. New listings activity peaked in April and May, followed by a considerable decline in June due to seasonality.

# CONTRACTS SIGNED

**BERKSHIRE  
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Properties

## MARKET SNAPSHOT BY TYPE

Q2 2017 Market Report MANHATTAN

### CONDO

	% year over year	
Median Price	↑	10.2%
# of Contracts	↓	2.5%
Average DOM	↑	4 days

METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Average Price	\$2,384,579	\$2,312,358	\$2,304,312	3.12%	3.48%
Median Price	\$1,650,000	\$1,547,500	\$1,497,000	6.62%	10.22%
Listing Discount	-3.78%	-4.90%	-4.49%		
Average PPSF	\$1,644	\$1,653	\$1,655	-0.54%	-0.66%
# of Contracts	809	748	830	8.16%	-2.53%
Average DOM	127	167	123	-23.95%	3.25%

Following a short period of price adjustment in 2016, the median prices for condo contracts increased by over 10% since last year, while the average listing discount dropped from 4% to 3%. As a result, the number of contracts showed a downward trend declining by 3% with a relatively steady average time on market of 127 days.

### CO-OP

Median Price	↑	3.0%
# of Contracts	↑	10.3%
Average DOM	↑	12 days

METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Average Price	\$1,377,560	\$1,350,259	\$1,325,314	2.02%	3.94%
Median Price	\$855,000	\$830,000	\$830,000	3.01%	3.01%
Listing Discount	-2.41%	-3.65%	-2.52%		
Average PPSF	\$1,367	\$1,091	\$1,096	25.30%	24.73%
# of Contracts	1580	1478	1432	6.90%	10.34%
Average DOM	102	127	90	-19.69%	13.33%

Compared to the condo market, the price for co-ops is historically less volatile. The median price for resale co-ops increased by only 3% since last year, while the number of contracts showed a sizable 10% increase. The gap between condo and co-op resale prices remained relatively steady, with the median condo price remaining at about double that of co-ops, thereby stimulating market demand for co-op units. The average time on market for co-op units was 102 days, 12 days more than the previous year.

With an increased number of new listings, contract activity for condos and co-ops set a record in March, April and May of this year, followed by a considerable slowdown in June, where the median price for both property types started showing a negative trend.

### TOWNHOUSE

Median Price	↑	9.2%
# of Contracts	↓	29.2%
Average DOM	↑	16 days

METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Average Price	\$4,477,680	\$3,437,183	\$4,336,147	30.27%	3.26%
Median Price	\$2,675,000	\$2,172,500	\$2,450,000	23.13%	9.18%
Listing Discount	-5.16%	-7.49%	-2.63%		
Average PPSF	\$1,373	\$1,167	\$1,748	17.65%	-21.45%
# of Contracts	51	50	72	2.00%	-29.17%
Average DOM	220	200	204	10.00%	7.84%

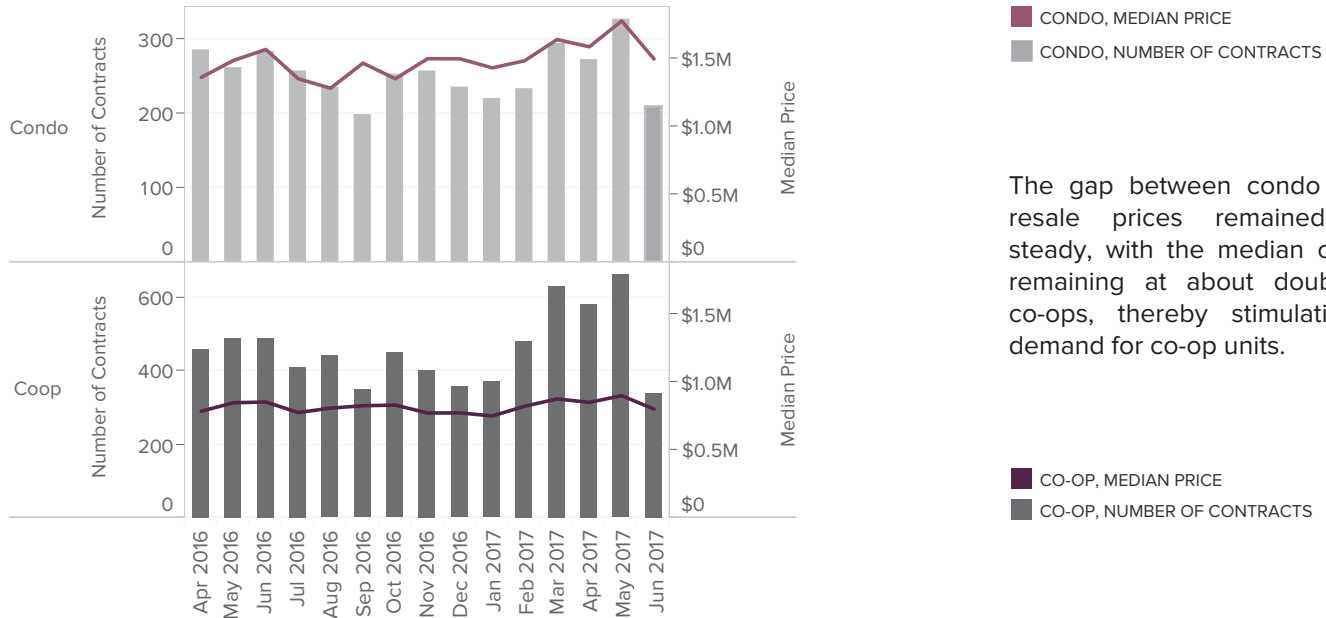
The contracts signed for townhouses showed early signs of price recovery from the previous year, when the prices dropped considerably as a result of a softening luxury market. While the number of contracts fell by a significant 30%, the median price rose by over 9% with a number of high-end deals in the \$10M+ range. The increase in prices left buyers with some room for negotiations, resulting in listing discounts to increase from 3% to 5%. The average time on market for increased slightly to 220 days.

# CONTRACTS SIGNED

## MARKET SNAPSHOT BY TYPE

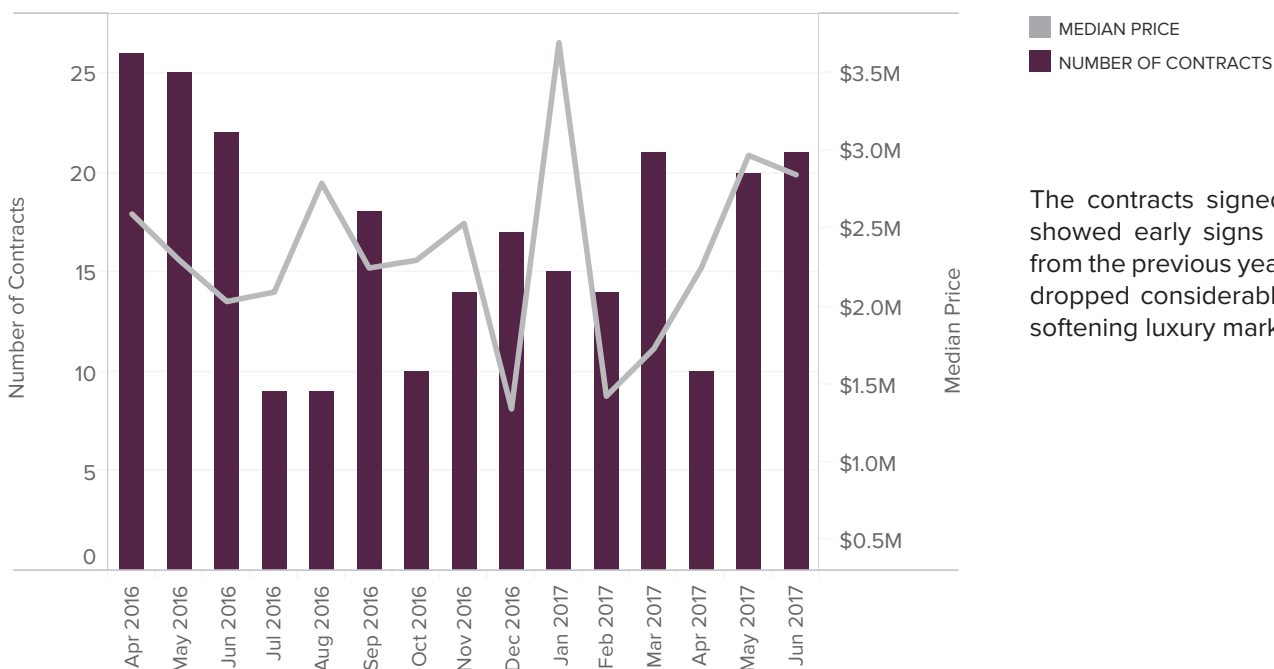
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### NUMBER OF CONTRACTS & MEDIAN LAST LISTED PRICE BY TYPE CONDO & CO-OP



The gap between condo and co-op resale prices remained relatively steady, with the median condo price remaining at about double that of co-ops, thereby stimulating market demand for co-op units.

### NUMBER OF CONTRACTS & MEDIAN LAST LISTED PRICE TOWNHOUSE



The contracts signed for townhouses showed early signs of price recovery from the previous year, when the prices dropped considerably as a result of a softening luxury market.

## MARKET SNAPSHOT BY PRICE & BEDROOM

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### % NUMBER OF CONTRACTS BY PRICE

PRICE RANGE	Q2 2017	Q1 2017	Q2 2016
<\$500K	11.30%	11.98%	12.25%
\$500K-1M	35.79%	36.44%	35.84%
\$1M-2M	26.92%	27.76%	27.65%
\$2M-3M	12.59%	10.31%	10.83%
\$3M-5M	7.71%	7.57%	7.68%
\$5M-10M	4.36%	4.66%	4.24%
\$10M-20M	1.05%	1.07%	1.30%
\$20M+	0.28%	0.21%	0.21%

The highest volume of resale contract activity continues to take place in the \$500K-2M price range. Due to a limited supply of inventory at more affordable price points, the number of contracts in the \$2M-3M price segment started picking up, showing a 2% increase from the previous year. However, contract activity in the higher price segments remained relatively steady, signaling that buyers continue to increase their focus on investment properties over luxury apartments.

### CONTRACTS SIGNED BY BEDROOM: CONDO

BEDROOMS	METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Studio	Median Price	\$735,000	\$716,000	\$691,500	2.65%	6.29%
	# of Contracts	73	80	99	-8.75%	-26.26%
1BR	Median Price	\$1,050,000	\$1,090,000	\$1,050,000	-3.67%	0.00%
	# of Contracts	290	257	297	12.84%	-2.36%
2BR	Median Price	\$1,992,500	\$1,900,000	\$1,950,000	4.87%	2.18%
	# of Contracts	296	291	308	1.72%	-3.90%
3BR	Median Price	\$3,575,000	\$3,340,000	\$3,432,500	7.04%	4.15%
	# of Contracts	108	113	114	-4.42%	-5.26%
4+BR	Median Price	\$6,435,000	\$6,000,000	\$7,048,508	7.25%	-8.70%
	# of Contracts	53	39	46	35.90%	15.22%

### CONTRACTS SIGNED BY BEDROOM: CO-OP

BEDROOMS	METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Studio	Median Price	\$450,500	\$465,000	\$450,000	-3.12%	0.11%
	# of Contracts	263	271	261	-2.95%	0.77%
1BR	Median Price	\$749,000	\$710,000	\$725,000	5.49%	3.31%
	# of Contracts	637	592	566	7.60%	12.54%
2BR	Median Price	\$1,395,000	\$1,300,000	\$1,315,000	7.31%	6.08%
	# of Contracts	457	413	429	10.65%	6.53%
3BR	Median Price	\$2,525,000	\$2,456,250	\$2,295,000	2.80%	10.02%
	# of Contracts	176	161	158	9.32%	11.39%
4+BR	Median Price	\$3,695,000	\$4,470,875	\$4,100,000	-17.35%	-9.88%
	# of Contracts	61	64	48	-4.69%	27.08%



# CLOSED SALES

## MARKET SNAPSHOT BY TYPE

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### CONDO

	% year over year	
Median Price	↑	12.8%
# of Closed	↑	1.6%
Average DOM	↑	15 days

METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Average Price	\$2,636,581	\$2,283,905	\$3,755,538	15.44%	-29.79%
Median Price	\$1,518,096	\$1,375,250	\$1,346,250	10.39%	12.76%
Listing Discount	-5.81%	-6.10%	-1.61%		
Average PPSF	\$1,648	\$1,591	\$1,655	3.58%	-0.42%
# of Closed*	1448	1373	1426	5.53%	1.57%
Average DOM	147	165	132	-10.91%	11.36%

### CO-OP

Median Price	↑	8.9%
# of Closed	↑	23.6%
Average DOM	↑	17 days

METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Average Price	\$1,436,231	\$1,429,361	\$1,378,396	0.48%	4.20%
Median Price	\$825,000	\$759,000	\$757,500	8.70%	8.91%
Listing Discount	-2.71%	-4.05%	-3.02%		
Average PPSF	\$1,102	\$1,028	\$1,063	7.20%	3.67%
# of Closed*	2358	2055	1908	14.74%	23.58%
Average DOM	120	112	103	7.14%	16.50%

Similar to contracts signed, the median price for closed sales increased for both condos and co-ops. Condo prices outpaced co-op prices by almost double, resulting in the number of closed transactions for co-ops skyrocketing by 24%. With the increase in median price, the time on the market for condos increased by 15 days and 17 days for co-ops.

Listing discounts indicate that condo buyers were able to get on average 6% off the listing price in the last quarter, compared to 2% in the previous year. In the meantime, co-op buyers are now facing more pushback from sellers when it comes to negotiations. The average listing discount dropped slightly, averaging to less than 3% off the original ask.

### TOWNHOUSE

Median Price	↓	30.1%
# of Closed	↓	2%
Average DOM	↓	27 days

METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Average Price	\$4,839,794	\$3,788,759	\$6,120,024	27.74%	-20.92%
Median Price	\$2,446,900	\$1,665,000	\$3,500,000	46.96%	-30.09%
Listing Discount	-5.88%	-5.76%	-5.18%	0.12%	0.58%
Average PPSF	\$1,435	\$1,428	\$1,799	0.49%	-20.23%
# of Closed*	160	190	163	-15.89%	-1.96%
Average DOM	200	175	227	14.29%	-11.89%

The trajectory of townhouses closed sales prices differed sharply from that of condos and co-ops, with median prices declining by over 30%. This steep decline began in April of 2016. Likewise, listing discounts remain steady as sellers who are offering lower initial asking prices in an effort to reduce time on market, which reached a high of 227 days last year.

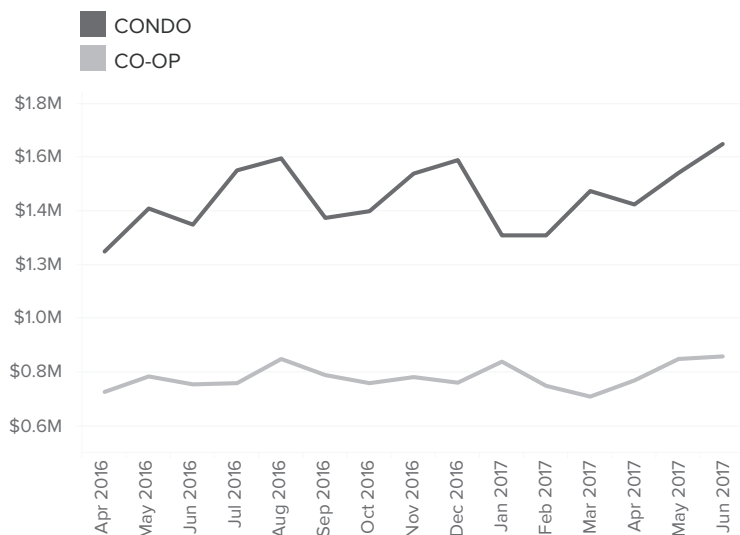
\* The number of Q2 closed sales accounts for typical lag in ACRIS filings adjusted for seasonality.

# CLOSED SALES

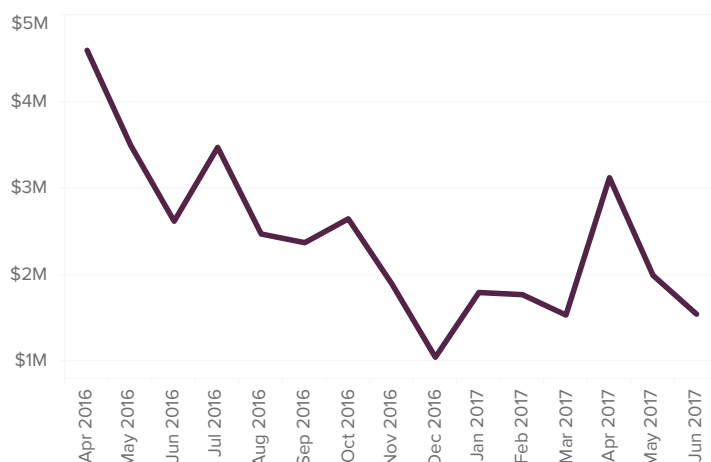
## MARKET SNAPSHOT BY TYPE

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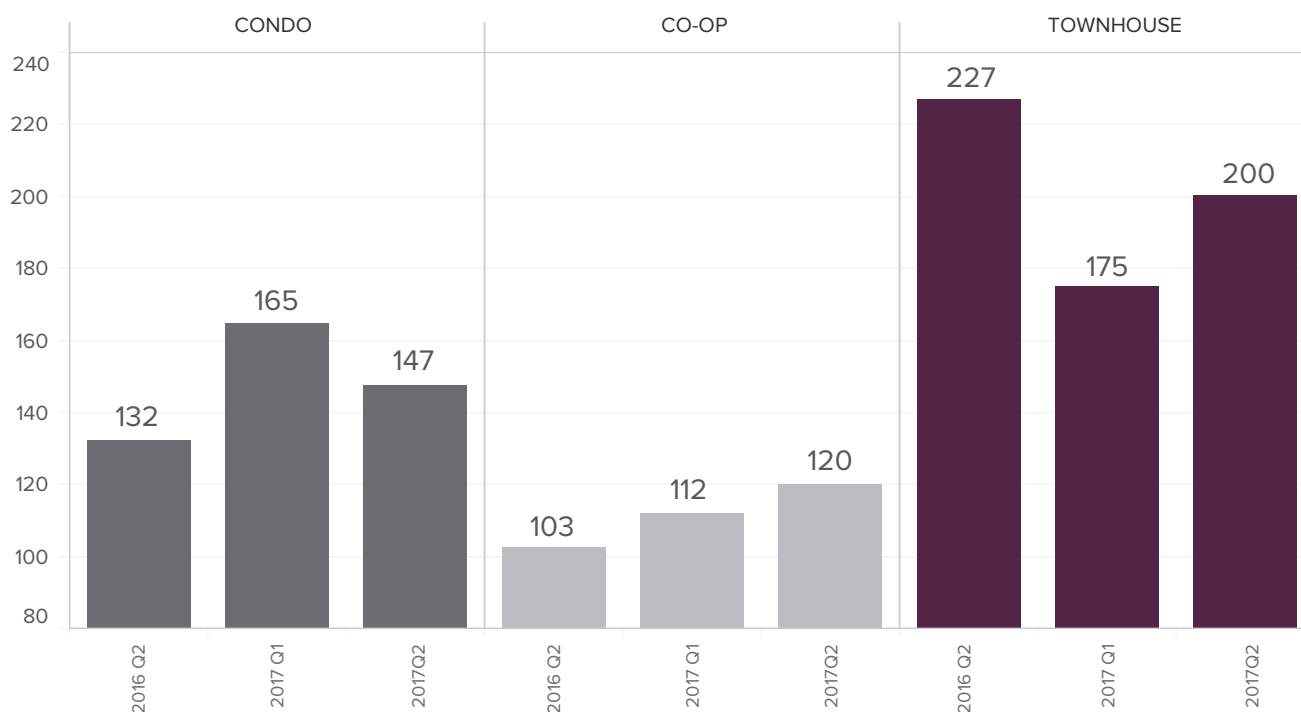
### MEDIAN PRICE BY TYPE



### TOWNHOUSE



### AVERAGE DAYS ON MARKET OF CLOSED LISTINGS BY TYPE



## MARKET SNAPSHOT BY PRICE &amp; BEDROOM

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## % NUMBER OF CLOSED SALES BY PRICE

PRICE RANGE	Q2 2017	Q1 2017	Q2 2016
<\$500K	12.73%	14.38%	15.62%
\$500K-1M	33.32%	35.89%	32.86%
\$1M-2M	26.93%	24.21%	23.25%
\$2M-3M	10.98%	9.89%	9.76%
\$3M-5M	7.16%	7.06%	7.19%
\$5M-10M	5.45%	4.88%	6.01%
\$10M-20M	2.20%	2.54%	2.83%
\$20M+	1.22%	1.16%	2.47%

Closed sales activity showed an annual decline at the top of the market, indicating that luxury sales continue to shift towards buyers. The number of closed sales in the \$10M-20M price segment decreased from 2.8% to 2.3%, while the \$20M+ range shrunk to 1.2%.

Meanwhile, the lower end of the market remains very active due to a shortage of available inventory at the lower price ranges, shifting the market towards sellers. The percentage of closed sales showed the highest increase in the \$1M-2M price segment moving up from 23% to 27%, while the highest volume of activity continued in the \$500K-1M segment at 33%.

## CLOSED SALES BY BEDROOM: CONDO

BEDROOMS	METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Studio	Median Price	\$896,000	\$800,000	\$862,457	12.00%	3.89%
	# of Closed	328	359	361	-8.54%	-9.11%
1BR	Median Price	\$1,085,000	\$1,047,500	\$990,000	3.58%	9.60%
	# of Closed	454	415	467	9.37%	-2.81%
2BR	Median Price	\$1,885,000	\$1,987,500	\$1,850,000	-5.16%	1.89%
	# of Closed	423	403	383	5.17%	10.52%
3BR	Median Price	\$3,668,754	\$3,300,000	\$3,412,500	11.17%	7.51%
	# of Closed	162	138	140	17.45%	15.36%
4+BR	Median Price	\$6,050,000	\$6,900,000	\$6,678,750	-12.32%	-9.41%
	# of Closed	82	59	75	38.89%	8.80%

## CLOSED SALES BY BEDROOM: CO-OP

BEDROOMS	METRIC	Q2 2017	Q1 2017	Q2 2016	QoQ%	YoY%
Studio	Median Price	\$525,000	\$530,000	\$495,000	-0.94%	6.06%
	# of Closed	695	686	687	1.32%	1.21%
1BR	Median Price	\$725,000	\$690,000	\$689,000	5.07%	5.22%
	# of Closed	794	715	577	11.03%	37.59%
2BR	Median Price	\$1,300,000	\$1,250,000	\$1,295,000	4.00%	0.39%
	# of Closed	573	429	425	33.62%	34.80%
3BR	Median Price	\$2,320,000	\$2,438,938	\$2,505,000	-4.88%	-7.39%
	# of Closed	231	170	167	36.00%	38.44%
4+BR	Median Price	\$4,358,516	\$3,762,500	\$3,950,000	15.84%	10.34%
	# of Closed	65	55	52	17.45%	24.23%

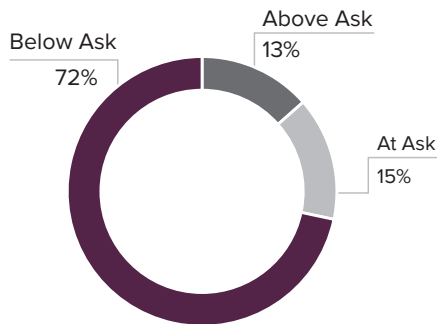
# CLOSED SALES

## PRICE NEGOTIABILITY\*

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The highest percentage of closed sales for the period were below the asking price. Further, the number of closed sales at and below the asking price increased market wide compared to the second quarter of 2016.

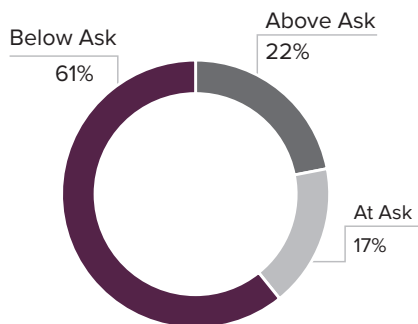
### CONDO



PRICE	Q2 2017	Q1 2017	Q2 2016
Above	13.49%	12.07%	22.57%
At	14.84%	8.64%	12.72%
Below	71.67%	79.29%	64.71%

More than 71% of condo deals closed below ask in the past quarter, while the number of closed sales above ask dropped from 23% to 14%.

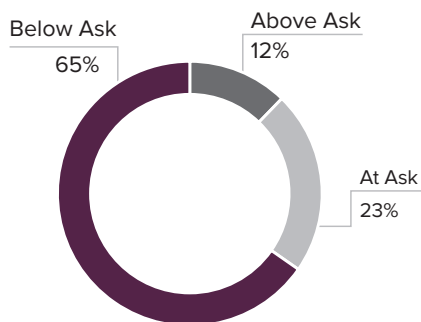
### CO-OP



PRICE	Q2 2017	Q1 2017	Q2 2016
Above	21.95%	20.21%	24.43%
At	17.27%	17.16%	16.85%
Below	60.78%	62.63%	58.73%

The number of co-op sales that closed above ask was 8% higher than for condos, due to lower price points. Closed deals below ask increased by 2%, moving up from 59% to 61%.

### TOWNHOUSE



PRICE	Q2 2017	Q1 2017	Q2 2016
Above	12.24%	18.52%	32.89%
At	22.45%	11.11%	14.47%
Below	65.31%	70.37%	52.63%

The highest increase in number of closed deals below ask occurred in the townhouse market, increasing from 53% to 65%. Meanwhile, closed sales above ask dropped on both a quarterly and year over year basis, decreasing to 12% in the second quarter of 2017.

- This report was produced and authored by We3 Real Estate, Inc. Contact: kamila@we3.com.
- Data sources: Automated City Register Information System (ACRIS), New York City public data and proprietary sources between April 1st, 2016 and June 30th, 2017.
- This report is based on market wide data for condo, co-op and townhouse resales. New development data is excluded.
- Closed and contract signed prices are based on the closing and last listed price respectively, while new inventory prices are based on the original listed price.
- The average days on market for both in-contract listings and closed sales represent the number of days from the first listed date to the contract date.
- All non- market transactions are excluded from the report.
- The number of closed sales for Q2 2017 accounts for typical lag in ACRIS filings adjusted for seasonality.
- Information is based in whole or part on residential property transactions and is being provided “as is.” Data may not reflect all real estate activity in the market.