Manhattan housing prices continued to press higher, driven by low inventory and seven consecutive quarters of year-over-year sales growth. Mortgage rates have drifted lower, nearly returning to their prior year levels while the local economy has added jobs and international demand for product has been relentless. The luxury market showed the most price gains as more new development product has begun to close. Newly built condos remained, for the most part, a subset of the luxury market. After trailing the condo market in terms of sales and price trends, the co-op market has rebounded in the past several quarters as consumers increasingly seek out greater affordability. Manhattan median sales price increased 5.2% to $910,000 from the
The Elliman Report • Quarterly Survey of Manhattan Co-op & Condo Sales

2Q-2014

LOFTS

prior year quarter. Much of the gain came from the co-op market, which comprised 59.5% of sales and a 9% rise in median sales price. The median sales price of a condo edged 0.8% higher over the same period. The average sales price and average price per square foot of all Manhattan apartments showed greater gains of 17.9% and 10.4% respectively over the same period. These gains were influenced by increases in the luxury and new development markets as bigger, higher quality product entered the market. The price rise of these indicators was partially attributable to more square footage within the units sold, rather than a shift in the mix to more bedrooms. The 15% market share of 3-bedroom and 4-bedroom sales remained unchanged from the prior year quarter. However, the average square footage of a re-sale increased 6.8% to 1,277, while the average square footage of a new development sale rose 24.9% to 1,853 over the same period. The number of sales that closed at or above the list price at time of contract rose to 45.9%, the highest level reached since 51.6% in the third quarter of 2008. Although the number of sales increased 6.3% from the prior year quarter for the seventh consecutive quarter, the increase was well below the 27.6% average growth of the past 4 quarters. The easing rate of sales growth, along with rising prices, has allowed inventory to expand. After reaching a 14-year low of 4,164 listings in the last quarter of 2013 and a likely bottom, listing inventory has expanded for the past two months. With supply rising faster than sales, the overall pace of the market began to stabilize. The monthly absorption rate, the number of months to sell all inventory at the current rate of sales, edged 0.5 months higher from the prior year quarter 5.1 months, still well below the 8.4 month average of the past decade. Inventory expanded 18% to 5,659 from the prior year quarter with the gain largely attributable to the condo market. Condo inventory jumped 42.9%, largely from the 68.6% rise in new development inventory that was primarily built as condo. Co-op inventory slipped a nominal 0.7%. Luxury inventory increased 20.4%, slightly outpacing non-luxury inventory growth of 17.3% over the same period. Listing discount, the percentage difference between the list price at time of sale and the sales price was essentially unchanged at 2.8% from the prior year quarter. Days on market, the number of days from the last price change to the contract date, fell by roughly half to 96 days from the prior year quarter as languishing listings were sold off. The monthly carrying charges for co-ops and condos sold was $1.73 per square foot, the same result as the year ago quarter.

### KEY POINTS:
- Prices rose across all indicators
- Sales declined as inventory expanded
- Marketing time decreased

### Table: Loft Market Matrix

<table>
<thead>
<tr>
<th></th>
<th>2Q-2014</th>
<th>%Chg (yr)</th>
<th>1Q-2014</th>
<th>%Chg (yr)</th>
<th>2Q-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Sales Price</td>
<td>$2,626,156</td>
<td>4.6%</td>
<td>$2,509,619</td>
<td>16.5%</td>
<td>$2,253,372</td>
</tr>
<tr>
<td>Average Price per Sq Ft</td>
<td>$1,435</td>
<td>-0.8%</td>
<td>$1,447</td>
<td>15.5%</td>
<td>$1,242</td>
</tr>
<tr>
<td>Median Sales Price</td>
<td>$1,850,000</td>
<td>-6.0%</td>
<td>$1,969,015</td>
<td>4.8%</td>
<td>$1,765,000</td>
</tr>
<tr>
<td>Number of Sales (Closed)</td>
<td>216</td>
<td>-9.6%</td>
<td>239</td>
<td>-17.2%</td>
<td>261</td>
</tr>
<tr>
<td>Days on Market (From Last List Date)</td>
<td>51</td>
<td>-54.5%</td>
<td>112</td>
<td>-68.7%</td>
<td>163</td>
</tr>
<tr>
<td>Listing Discount (From Last List Price)</td>
<td>3.0%</td>
<td>2.5%</td>
<td>3.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Listing Inventory (Active)</td>
<td>423</td>
<td>41.9%</td>
<td>298</td>
<td>21.9%</td>
<td>347</td>
</tr>
<tr>
<td>Absorption Rate (Months)</td>
<td>5.9</td>
<td>59.5%</td>
<td>3.7</td>
<td>47.5%</td>
<td>4.0</td>
</tr>
</tbody>
</table>

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

KEY POINTS:
- All price indicators rose
- Inventory decreased as sales expanded
- Days on market declined

<table>
<thead>
<tr>
<th>Co-op Mix</th>
<th>Sales Share</th>
<th>Median Sales Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>15.6%</td>
<td>$385,000</td>
</tr>
<tr>
<td>1 bedroom</td>
<td>41.9%</td>
<td>$600,000</td>
</tr>
<tr>
<td>2 bedroom</td>
<td>29.7%</td>
<td>$1,300,700</td>
</tr>
<tr>
<td>3 bedroom</td>
<td>9.9%</td>
<td>$2,650,000</td>
</tr>
<tr>
<td>4+ bedroom</td>
<td>2.8%</td>
<td>$6,058,587</td>
</tr>
</tbody>
</table>

CONDOS

KEY POINTS:
- Modest price growth
- Inventory rose as sales edged up
- Marketing time contracted

<table>
<thead>
<tr>
<th>Condo Mix</th>
<th>Sales Share</th>
<th>Median Sales Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>11.9%</td>
<td>$605,000</td>
</tr>
<tr>
<td>1 bedroom</td>
<td>36.5%</td>
<td>$930,000</td>
</tr>
<tr>
<td>2 bedroom</td>
<td>33.4%</td>
<td>$1,740,000</td>
</tr>
<tr>
<td>3 bedroom</td>
<td>14.8%</td>
<td>$2,995,000</td>
</tr>
<tr>
<td>4+ bedroom</td>
<td>3.4%</td>
<td>$7,000,000</td>
</tr>
</tbody>
</table>
**LUXURY**

### KEY POINTS:
- Strong double-digit price increase
- Marketing time decreased
- Entry threshold moves higher

<table>
<thead>
<tr>
<th>Luxury Mix</th>
<th>Sales Share</th>
<th>Median Sales Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-ops</td>
<td>34.7%</td>
<td>$4,687,304</td>
</tr>
<tr>
<td>Condos</td>
<td>65.3%</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>New Dev.</td>
<td>6.9%</td>
<td>$17,000,000</td>
</tr>
<tr>
<td>Re-sales</td>
<td>93.1%</td>
<td>$4,495,000</td>
</tr>
</tbody>
</table>

### NEW DEVELOPMENT

### KEY POINTS:
- Prices post large gains
- Inventory rose sharply
- Larger unit sales begin to close

<table>
<thead>
<tr>
<th>New Dev. Mix</th>
<th>Sales Share</th>
<th>Median Sales Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; $1M</td>
<td>34.6%</td>
<td>$551,279</td>
</tr>
<tr>
<td>$1M - $3M</td>
<td>39.4%</td>
<td>$1,742,399</td>
</tr>
<tr>
<td>&gt; $3M</td>
<td>26.0%</td>
<td>$6,838,800</td>
</tr>
</tbody>
</table>

---

**Luxury Market Matrix**

<table>
<thead>
<tr>
<th></th>
<th>2Q–2014 %Chg (yr)</th>
<th>1Q–2014 %Chg (yr)</th>
<th>2Q–2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Sales Price</td>
<td>$7,254,472</td>
<td>$7,390,037</td>
<td>38.3%</td>
</tr>
<tr>
<td>Average Price per Sq Ft</td>
<td>$2,735</td>
<td>$2,706</td>
<td>36.3%</td>
</tr>
<tr>
<td>Median Sales Price</td>
<td>$4,973,306</td>
<td>$5,753,112</td>
<td>18.4%</td>
</tr>
<tr>
<td>Number of Sales (Closed)</td>
<td>334</td>
<td>331</td>
<td>6.4%</td>
</tr>
<tr>
<td>Days on Market (From Last List Date)</td>
<td>137</td>
<td>131</td>
<td>25.5%</td>
</tr>
<tr>
<td>Listing Discount (From Last List Price)</td>
<td>3.7%</td>
<td>0.9%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Listing Inventory (Active)</td>
<td>1,393</td>
<td>1,380</td>
<td>20.4%</td>
</tr>
<tr>
<td>Absorption Rate (Months)</td>
<td>12.5</td>
<td>12.5</td>
<td>11.1</td>
</tr>
</tbody>
</table>

| Entry Threshold     | $3,250,000        | $3,715,000        | 10.2%     |

**Median Sales Price**

<table>
<thead>
<tr>
<th></th>
<th>04</th>
<th>05</th>
<th>06</th>
<th>07</th>
<th>08</th>
<th>09</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Sales Price</td>
<td>$7,000,000</td>
<td>$6,500,000</td>
<td>$6,000,000</td>
<td>$5,500,000</td>
<td>$5,000,000</td>
<td>$4,500,000</td>
<td>$4,000,000</td>
<td>$3,500,000</td>
<td>$3,000,000</td>
<td>$2,500,000</td>
<td>$2,000,000</td>
</tr>
</tbody>
</table>

**Number of Sales**

**New Development Market Matrix**

<table>
<thead>
<tr>
<th></th>
<th>2Q–2014 %Chg (yr)</th>
<th>1Q–2014 %Chg (yr)</th>
<th>2Q–2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Sales Price</td>
<td>$3,520,735</td>
<td>$2,832,812</td>
<td>66.3%</td>
</tr>
<tr>
<td>Average Price per Sq Ft</td>
<td>$1,900</td>
<td>$1,384</td>
<td>33.1%</td>
</tr>
<tr>
<td>Median Sales Price</td>
<td>$1,580,000</td>
<td>$1,731,025</td>
<td>13.3%</td>
</tr>
<tr>
<td>Number of Sales (Closed)</td>
<td>231</td>
<td>367</td>
<td>40.6%</td>
</tr>
<tr>
<td>Days on Market (From Last List Date)</td>
<td>117</td>
<td>114</td>
<td>30.4%</td>
</tr>
<tr>
<td>Listing Discount (From Last List Price)</td>
<td>3.2%</td>
<td>13.4%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Listing Inventory (Active)</td>
<td>1,396</td>
<td>1,102</td>
<td>68.6%</td>
</tr>
<tr>
<td>Absorption Rate (Months)</td>
<td>18.1</td>
<td>9.0</td>
<td>182.8%</td>
</tr>
</tbody>
</table>

| Sales Share of Overall Market | 6.9% | 16.1% | 12.4% |

**Average Sales Price**

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1800</th>
<th>1600</th>
<th>1400</th>
<th>1200</th>
<th>1000</th>
<th>800</th>
<th>600</th>
<th>400</th>
<th>200</th>
<th>100</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Price per SF</td>
<td>30%</td>
<td>24%</td>
<td>18%</td>
<td>12%</td>
<td>6%</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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