

Manhattan Condo Market Report

August 2014
by the numbers



+0.4%

StreetEasy Condo Price Index (Month-over-Month)



+0.1%

StreetEasy Condo Price Forecast (Month-over-Month)



-4.6%

Inventory (Month-over-Month)



-9.2%

Number of Pending Sales (Month-over-Month)



63 days

Median Time on Market



\$1,200,000

Median Sale Price



\$1,293

Median Price per Square Foot

Declines in inventory and record price growth point to challenging fall buying season

Buyers hoping that the Manhattan condo market would cool by the fall may be in for disappointment as August data points to more of the same from spring and summer 2014: less inventory and higher prices.

The total number of condos listed on the market in August fell by nearly 5 percent from July, a slow-down that typically occurs during the summer months. In an encouraging sign for buyers, August inventory was 5.8% higher than year-ago levels - the largest year-over-year increase in nearly five years. A long road remains in the recovery of condo inventory, however, as the August level was nearly 20 percent below Manhattan's 5-year average.

The stubbornly short supply of condos sent price growth to a record high in August. According to the StreetEasy Condo Price Index, condo sale prices rose 0.4 percent from July and nearly 9 percent compared to last year - capping a summer that saw three straight months of price appreciation. Upward movement in prices was also felt in August's existing inventory, in which nearly half (47.1 percent) of all units were priced above \$1.84 million. Slightly less than one in four (22.3 percent) available condos were priced below \$907,000, the cut-off for the bottom price tier in August.

Sellers appear to have little trouble finding buyers as the typical amount of time to enter into a contract. The median time on market in August was just 63 days, unchanged from July and 7 days longer than last year. This is nearly half the amount of time it took for condos to go into contract at the last market peak in September 2007.

As the market moves into the fall season, prices are expected to hold as the modest inventory gains of spring and summer failed to correct a two-year drought in condo listings. According to the StreetEasy Condo Price Forecast, prices will remain essentially unchanged in September, growing by 0.1 percent from August. Without a substantial reversal of Manhattan's two-year long inventory slump, buyers should not expect to see much relief in either prices or heated competition for the limited supply on the market.

StreetEasy is pleased to present the Manhattan Condo Market Report, a monthly analysis of New York City's largest and most comprehensive database of condo listings and sales. To see more analysis on Manhattan real estate trends from StreetEasy, visit our market report page at: <http://streeteasy.com/market/reports>



StreetEasy Condo Price Index

Stunted inventory growth pushes condo price appreciation to record high in August

The StreetEasy Condo Price Index (SECPI) rose to a record-high in August, buoyed by inventory that remains far below the borough's 5-year average level.

According to the August SECPI, condo prices across Manhattan rose 0.4 percent from July and were nearly 9 percent higher than last year. In a sign of the market's continued strength, August prices were nearly 7 percent above the previous market peak value in September 2007.

Condo prices remained the highest in the Downtown market, which has outperformed Manhattan every month since October 2005. The Upper East Side saw the highest month-

over-month increase in price appreciation (2.6 percent), but still underperformed Manhattan. There was a similar monthly increase in prices in Upper West Side, where the CPI grew 1.8 percent. Midtown was the only submarket to see price appreciation ease in August (-1.3 percent) as inventory growth there significantly outpaces the rest of the borough. To view the SECPI time series for each submarket, visit streeteasy.com/market/condo_index.

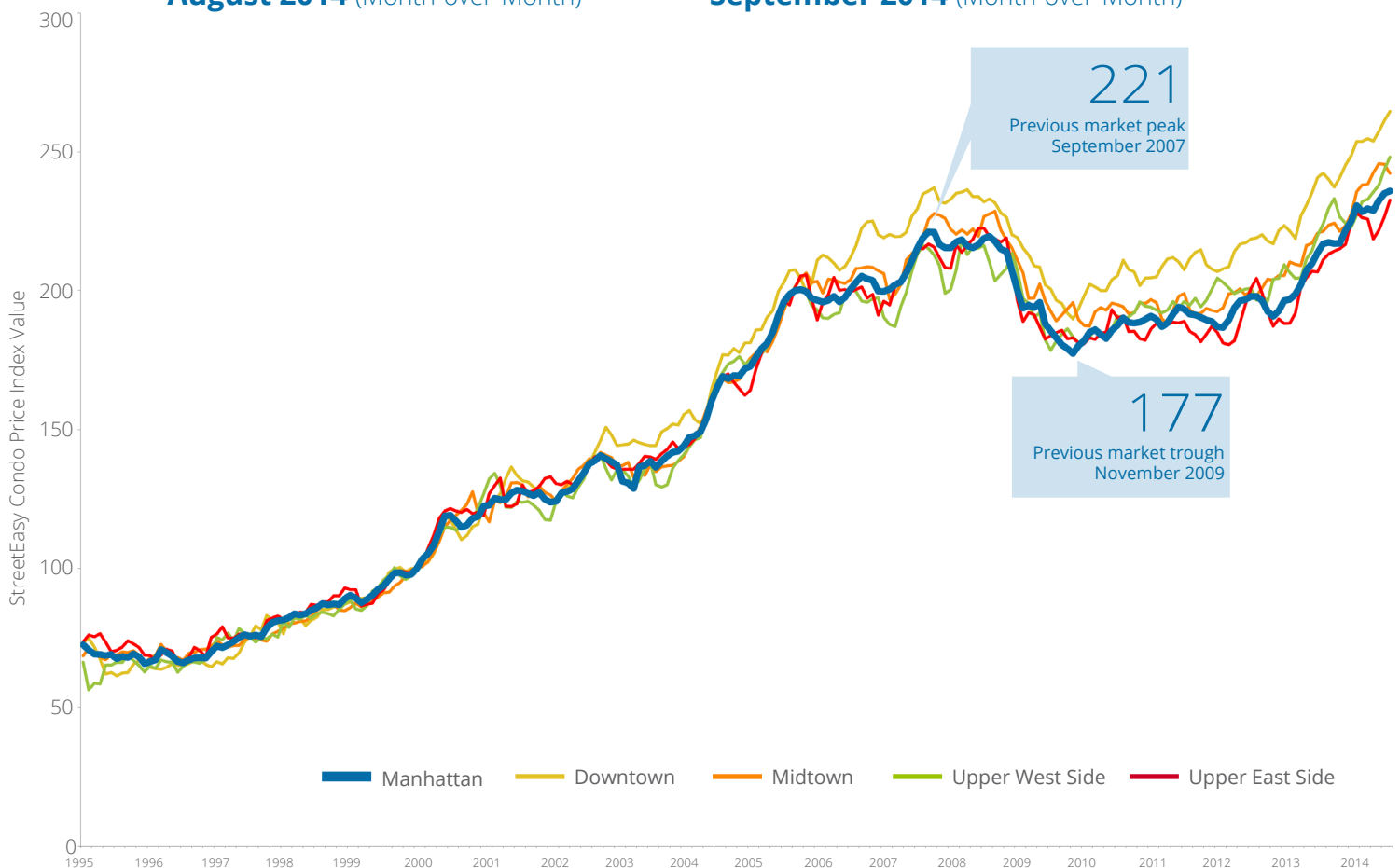
Condo price appreciation is expected to slow heading into the fall season, according to the StreetEasy Condo Price Forecast (SECPF), which predicts a 0.1 percent increase in prices in September.

+0.4% (236)

StreetEasy Condo Price Index August 2014 (Month-over-Month)

+0.1% (236)

StreetEasy Condo Price Forecast September 2014 (Month-over-Month)



Sales & Inventory

Inventory¹	August 2014	July 2014	August 2013
Total Condos Available	3,963	4,156 -4.6%	3,746 5.8%
Bottom Tier	22.3%	23.2%	22.8%
Middle Tier	30.6%	32.0%	32.7%
Top Tier	47.1%	44.8%	44.5%
Median Asking Price	\$1,420,000	\$1,725,000 -17.7%	\$1,320,000 7.6%
Median Asking Price per sq. ft.	\$1,547	\$1,528 1.2%	\$1,388 11.5%
Recorded Sales²			
Total Sales	467	601 -22.3%	634 -26.3%
Median Sale Price	\$1,200,000	\$1,400,000 -14.3%	\$1,128,500 6.3%
Pending Sales			
Total Pending Sales	383	422 -9.2%	461 -16.9%
Median Days on Market	63	63 0.0%	56 12.5%

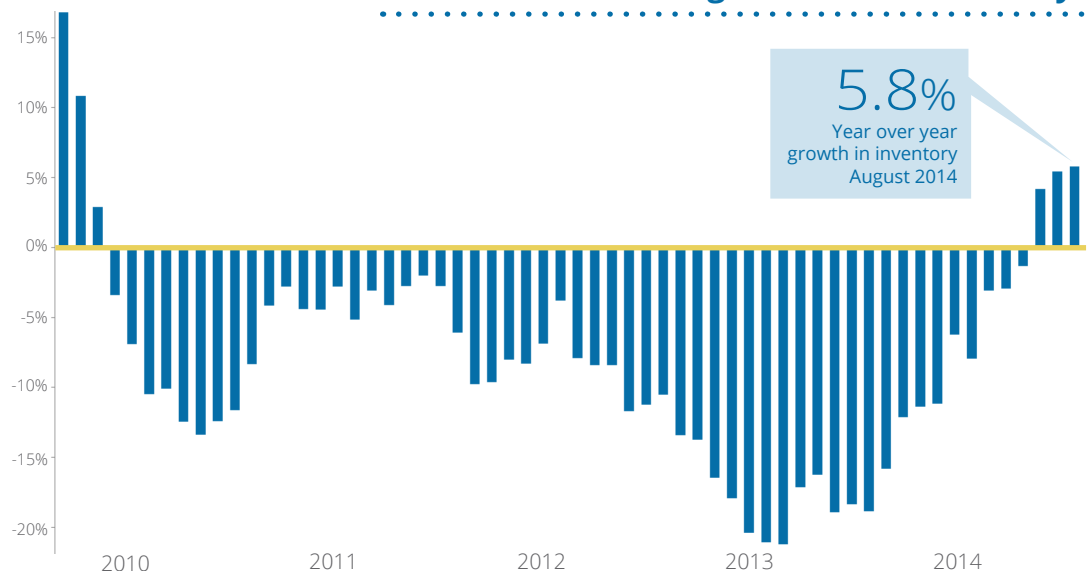
¹ Inventory, sales, and pending sales data is for condos only.

² Sales data is based on condo transactions recorded by the New York City Department of Finance as of September 19, 2014. This may not represent all August sale transactions.

Inventory - still constrained - slightly edges out year-ago level

Although August inventory was higher than the year-ago level, the number of listings available during the month was nearly 20 percent below the 5-year average - highlighting the extent of the gap between supply and demand in the Manhattan condo market this summer.

Year-over-Year Changes in Condo Inventory



How is inventory measured?

Monthly condo inventory is the sum of all condo units that were available on StreetEasy at any point during the month. This method provides the most comprehensive picture of units that were available to buyers.

How is days on market measured?

Days on market is the number of days from the original listing on StreetEasy to when it enters contract. After a buyer enters contract on a unit, it is pulled from the market and is no longer available to other buyers - creating a logical end point to "days on market."

Neighborhood Summary

	Sales Data				Listings Data				Pending Sales			
	Total Sales	YoY Change	Median Sale Price	YoY Change	Total Inventory	YoY Change	Median Listing Price	YoY Change	Pending Sales	YoY Change	Median Days on Market	YoY Change
All Downtown	148	-38.8%	\$1,310,000	3.6%	1,629	5.7%	\$2,150,000	17.2%	177	0.6%	56	0.0%
Battery Park City	14	-56.3%	\$967,500	28.2%	127	-2.3%	\$1,250,000	-9.8%	15	-21.1%	56	14.3%
Chelsea	26	-10.3%	\$1,067,634	-43.3%	226	11.3%	\$2,500,000	11.1%	24	-20.0%	63	28.6%
Chinatown	1	-85.7%	\$315,000	-57.1%	12	-42.9%	\$1,162,500	40.9%	0	-	0	-
Civic Center	0	-	-	-	0	-	-	-	0	-	0	-
East Village	14	27.3%	\$1,632,963	12.6%	61	-7.6%	\$1,650,000	3.5%	15	36.4%	42	-14.3%
Financial District	28	-42.9%	\$975,168	18.9%	408	-0.2%	\$1,273,000	6.1%	27	-27.0%	56	-33.3%
Flatiron	17	-22.7%	\$2,650,000	36.8%	142	-19.8%	\$2,470,000	-6.4%	11	-35.3%	63	12.5%
Gramercy Park	8	-20.0%	\$1,557,917	67.5%	69	6.2%	\$1,860,000	3.3%	9	-	35	-16.7%
Greenwich Village	7	40.0%	\$2,500,000	3.5%	76	38.2%	\$4,997,500	78.8%	4	-20.0%	28	-55.6%
Little Italy	0	-	-	-	2	-	\$2,935,000	18.6%	0	-	0	-
Lower East Side	6	-53.8%	\$1,052,500	82.6%	19	-44.1%	\$1,200,000	-1.4%	4	33.3%	42	0.0%
Nolita	2	-77.8%	\$14,179,604	-	23	130.0%	\$2,535,000	38.0%	3	-	84	50.0%
Soho	5	-50.0%	\$2,800,000	-29.9%	175	66.7%	\$2,538,250	-10.9%	12	50.0%	91	225.0%
Tribeca	15	-50.0%	\$2,450,000	-17.2%	240	25.7%	\$4,237,500	22.8%	44	100.0%	42	-14.3%
West Village	5	-66.7%	\$3,200,000	36.8%	49	-30.0%	\$2,825,000	19.2%	9	-43.8%	56	-38.5%
All Midtown	80	-48.4%	\$1,014,999	-1.0%	941	14.1%	\$1,549,000	11.8%	72	-24.2%	63	28.6%
Central Park South	3	-62.5%	\$1,650,000	-15.2%	55	5.8%	\$2,750,000	10.0%	2	-75.0%	28	-69.2%
Kips Bay	6	-14.3%	\$717,500	5.7%	33	-5.7%	\$775,000	-35.1%	4	-	28	-33.3%
Midtown	4	-83.3%	\$1,735,000	20.9%	204	45.7%	\$2,397,000	5.4%	14	7.7%	49	-12.5%
Midtown South	3	-57.1%	\$2,100,000	18.0%	97	12.8%	\$1,330,000	7.3%	2	-	56	0.0%
Midtown West	25	-34.2%	\$1,100,000	18.9%	257	29.1%	\$1,200,000	14.3%	21	-8.7%	70	100.0%
Murray Hill	17	-29.2%	\$840,000	-5.9%	103	-1.9%	\$1,200,000	11.6%	15	7.1%	84	100.0%
Roosevelt Island	2	100.0%	\$816,000	-46.4%	25	-3.8%	\$670,000	-1.1%	0	-	0	-
Sutton Place	3	-78.6%	\$2,328,000	-	26	-18.8%	\$1,925,000	26.2%	4	33.3%	119	-15.0%
Turtle Bay	16	-36.0%	\$859,500	-30.7%	133	-9.5%	\$1,925,000	17.0%	8	-	42	-14.3%
All Upper East Side	63	-30.0%	\$1,650,000	26.9%	545	11.5%	\$2,070,000	6.2%	45	-38.4%	91	44.4%
Carnegie Hill	7	-12.5%	\$2,709,000	50.5%	29	26.1%	\$1,999,000	-32.8%	4	0.0%	105	114.3%
Lenox Hill	25	-13.8%	\$1,705,568	14.5%	226	31.4%	\$2,425,000	-7.5%	10	-52.4%	63	-10.0%
Upper Carnegie Hill	5	-16.7%	\$1,895,000	5.2%	17	-52.8%	\$2,250,000	9.8%	1	-	77	-31.3%
Upper East Side	9	-50.0%	\$1,100,000	-7.0%	161	8.1%	\$2,250,000	19.0%	19	-20.8%	98	16.7%
Yorkville	17	-41.4%	\$800,000	-8.7%	112	2.8%	\$1,237,500	-3.7%	11	-38.9%	49	16.7%
All Upper West Side	71	-32.4%	\$1,450,000	-3.3%	488	-10.6%	\$1,730,000	-0.6%	49	-33.8%	70	66.7%
Lincoln Square	23	-56.6%	\$2,495,000	63.6%	279	-2.1%	\$1,900,000	-4.8%	19	-42.4%	84	50.0%
Manhattan Valley	8	100.0%	\$887,914	-36.2%	29	-29.3%	\$2,069,000	65.5%	2	-88.2%	84	1100.0%
Morningside Heights	0	-	-	-	1	-	\$1,365,000	0.0%	0	-	0	-
Upper West Side	40	-16.7%	\$1,211,050	-14.4%	179	-17.5%	\$1,450,000	-16.2%	28	16.7%	56	0.0%
All Upper Manhattan	41	0.0%	\$506,998	1.6%	332	4.4%	\$675,000	11.7%	40	-4.8%	70	0.0%
Central Harlem	12	-61.3%	\$585,000	17.2%	180	-10.4%	\$822,500	21.9%	21	-34.4%	56	-33.3%
East Harlem	3	-40.0%	\$499,000	-19.5%	49	-24.6%	\$600,000	-2.2%	3	-57.1%	140	185.7%
Hamilton Heights	8	300.0%	\$625,000	-2.3%	31	82.4%	\$572,850	-0.4%	8	-	98	250.0%
Inwood	0	-	-	-	7	-	\$289,000	-25.7%	0	-	0	-
Manhattanville	0	-	-	-	0	-	-	-	0	-	0	-
Washington Heights	18	500.0%	\$428,922	3.9%	65	150.0%	\$548,000	31.4%	8	-	91	44.4%
West Harlem	0	-	-	-	0	-	-	-	0	-	0	-

Glossary

StreetEasy Condo Price Index

The StreetEasy Condo Price Index (SECPI) measures how prices are moving in the Manhattan condo real estate market. It is based on a repeat-sales method, which compares the sale prices of the same properties over time. Given this methodology, the index is a much more reliable measure of sale prices as it controls for the variety of condos sold in a given month. The SECPI is indexed to January 2000 with a value of 100.

StreetEasy Condo Price Forecast

The StreetEasy Condo Price Forecast (SECPF) predicts the change in Manhattan condo sale prices one month out from the current reported period. Incorporating the StreetEasy Condo Price Index, StreetEasy's comprehensive database of listing prices and days on market - two leading indicators to future condo prices - we are able to accurately forecast what next month's condo prices will be before the release of publicly recorded sales data.

Condo Price Tiers

Condo listings are placed into one of three price tiers - bottom, middle, and top - using price cut-offs derived from a 12-month weighted moving average of recorded sale prices at the 33rd and 66th percentiles. Price tier cut-offs change each month in order to capture evolving trends in condos that are being sold. The top tier corresponds with the most expensive condo listings.

Inventory

Monthly condo inventory is the sum of all condo units that were available on StreetEasy at any point during the month. For example, if a unit was originally listed in February and sold in May, it would be included in the inventory number for all four months (February through May). This approach allows us to analyze what was available to buyers in a given month - instead of at a specific moment or cut-off.

Days on Market

The number of days from the original listing on StreetEasy to when it enters contract. After a buyer enters contract on a unit, it is pulled from the market and is no longer available to other buyers - creating a logical end point to "days on market." Measuring days on market by the number of days from the original listing to the recorded closing date may be skewed by lengthy closing periods during which the unit is not technically on the market.

Pending Sales

The number of condo units that entered contract during the month.

Median Sale Price

The exact middle sale price among all recorded sale prices of condo units that closed during the month. In general, median values are more accurate than average values, which may be skewed by price outliers (a few sales that are extremely expensive or extremely inexpensive). In order to consider only arms-length transactions, we do not include sale prices lower than \$10,000 in this calculation.

Median Asking Price

The exact middle asking price among all asking prices of listed condo units during the month.

Price Per Square Foot

The exact middle recorded price per square foot among all condos that closed during the month that included square footage information in closing documents with the New York City Department of Finance.

About StreetEasy

Launched in 2006 and acquired by Zillow, Inc. in August 2013, StreetEasy is New York City's leading real estate resource, providing accurate and comprehensive for-sale and for-rent listings from hundreds of real estate brokerages in New York City. The site adds layers of deep, proprietary data and useful search tools that help consumers and real estate professionals navigate the complex real estate markets within the five boroughs of New York City, Northern New Jersey, and the Hamptons.