

Q4 | 2017  
New York City

# Market Update

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**Sotheby's**  
INTERNATIONAL REALTY



# All New York City

# Luxury Market

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# New York City

## *Market Overview*

According to Vanderbilt Appraisal Services, the final quarter of 2017 exhibited evidence of a minor market correction with 7% fewer sales and a 6% decline in the average sale price which fell under \$2 million for the second consecutive quarter. However, median sale price increased slightly to \$1.1 million. Closed sales for the fourth quarter of 2017 totaled 2,696 compared to 2,891 during the same quarter the prior year.

The overall market under \$3 million made up 85% of all sales activity in the fourth quarter. This segment posted an increase in average sales price as well as median sales price of 1% and 3%, respectively. The average sales prices in the \$3 - \$10 million category declined 6%, while the market above \$10 million reflected a 1% growth in average sales price.

Manhattan's inventory of 6,034 listings is 1% higher than the 5,963 listings in the prior year. This level of inventory is still below normalized supply levels of 8,000-9,000+/- listings.

### DOWNTOWN MANHATTAN BROKERAGE

*Diane Levine, Brokerage Manager*

149 Fifth Avenue, 4th Floor | New York, NY 10010 | 212.431.2440

### EAST SIDE MANHATTAN BROKERAGE

*Marissa Ghesquiere, Brokerage Manager*

38 E. 61st Street | New York, NY 10065 | 212.606.7784

### WEST SIDE MANHATTAN BROKERAGE

*Diane Levine, Brokerage Manager*

2244 Broadway | New York, NY 10024 | 212.579.9300

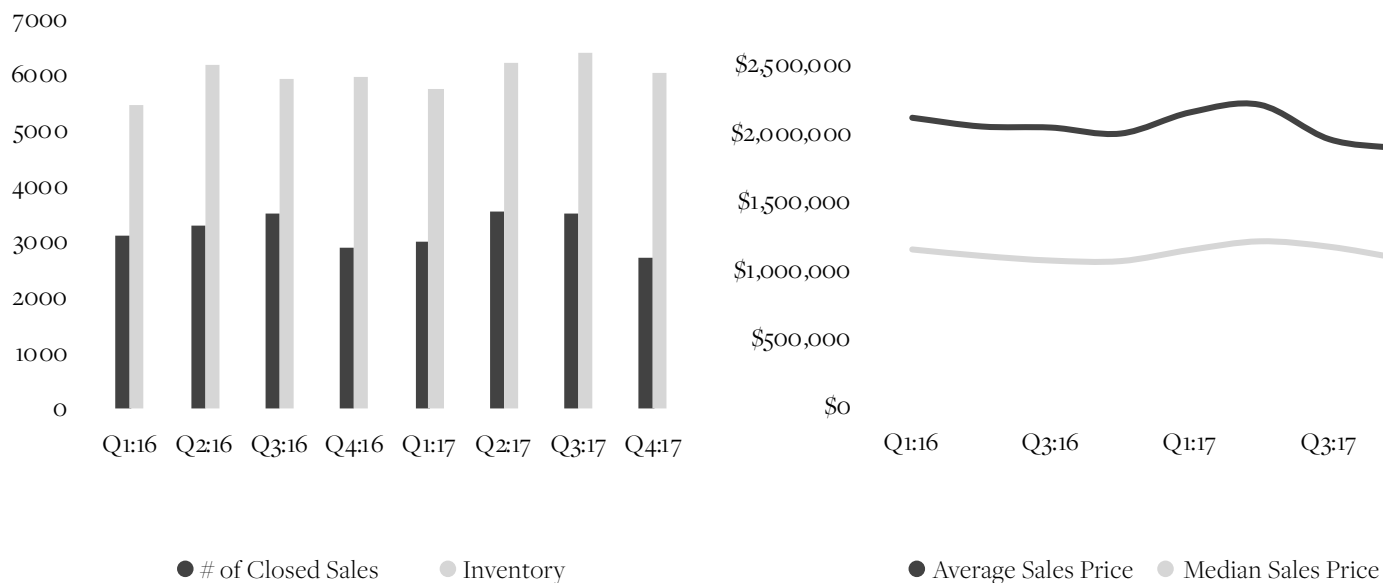
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## Number of Closed Sales vs. Inventory

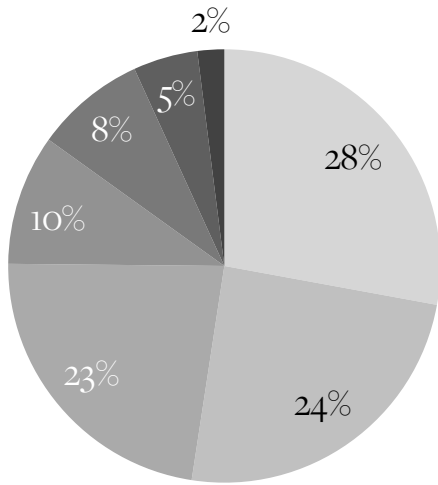
## Average / Median Sales Price



		Number of Closed Sales	Average Sales Price	Median Sales Price
UNDER \$3 Million	{2017 v 2016}	-6%	1%	3%
	Q4 '17	2294	\$1,100,205	\$925,000
	Q4 '16	2434	\$1,089,479	\$895,000
BETWEEN \$3 - 10 Million	{2017 v 2016}	-10%	-6%	-7%
	Q4 '17	349	\$4,618,098	\$4,200,000
	Q4 '16	388	\$4,905,887	\$4,500,000
OVER \$10 Million	{2017 v 2016}	-23%	1%	2%
	Q4 '17	53	\$18,373,617	\$15,294,000
	Q4 '16	69	\$18,149,217	\$15,053,000
ALL Price Points	{2017 v 2016}	-7%	-6%	2%
	Q4 '17	2696	\$1,881,496	\$1,082,000
	Q4 '16	2891	\$1,994,063	\$1,060,000

# Inventory

All New York City

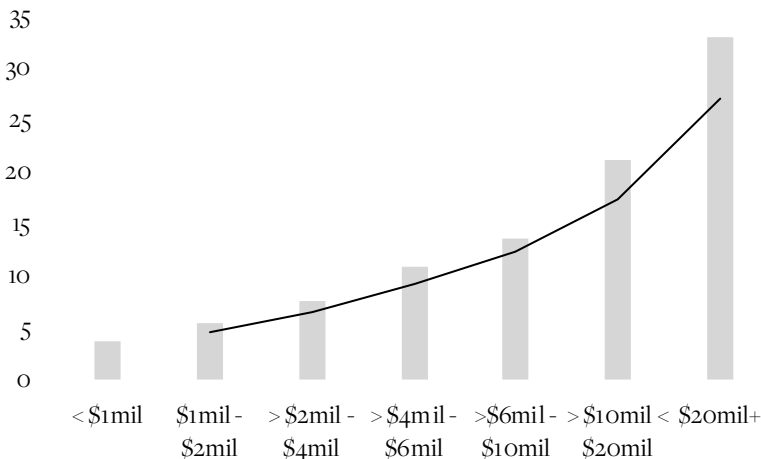


## Number of Active Listings

● 1682	Under \$1 Million
● 1481	\$1 - 2 Million
● 1372	\$2 - 4 Million
● 588	\$4 - 6 Million
● 499	\$6 - 10 Million
● 291	\$10 - 20 Million
● 121	\$20 Million and Above

CONDOS & CO-OPS (based on 6 months of closed sales 06/01/2017-12/31/2017)

The overall Manhattan absorption is 5.9 months which in a general sense signifies a market in "equilibrium". However, certain pockets and price segments in the market are weak with supply conditions favoring buyers. The historic range of equilibrium for the market area is 6-9 months. The absorption rate is calculated by taking the total number of currently active listings and dividing by the average number of closed sales over the 6-month period. The lower price segments continue to experience shortages of inventory with < \$1mil at 3.7 months of supply and from \$1mil- \$2mil at 5.4 months of supply. Units priced from \$6mil to \$10mil have a 13.5-month absorption rate. The top two price tiers above \$10mil have well over one year supply. This is an oversupply condition that will likely result in continued discounts and longer marketing time for the highest valued properties. As the oversupply continues in the highest price brackets it is increasingly more difficult for sellers in the top price segments to remain inflexible in their price expectations.



## Absorption Rate

- Line of Equilibrium
- Absorbtion

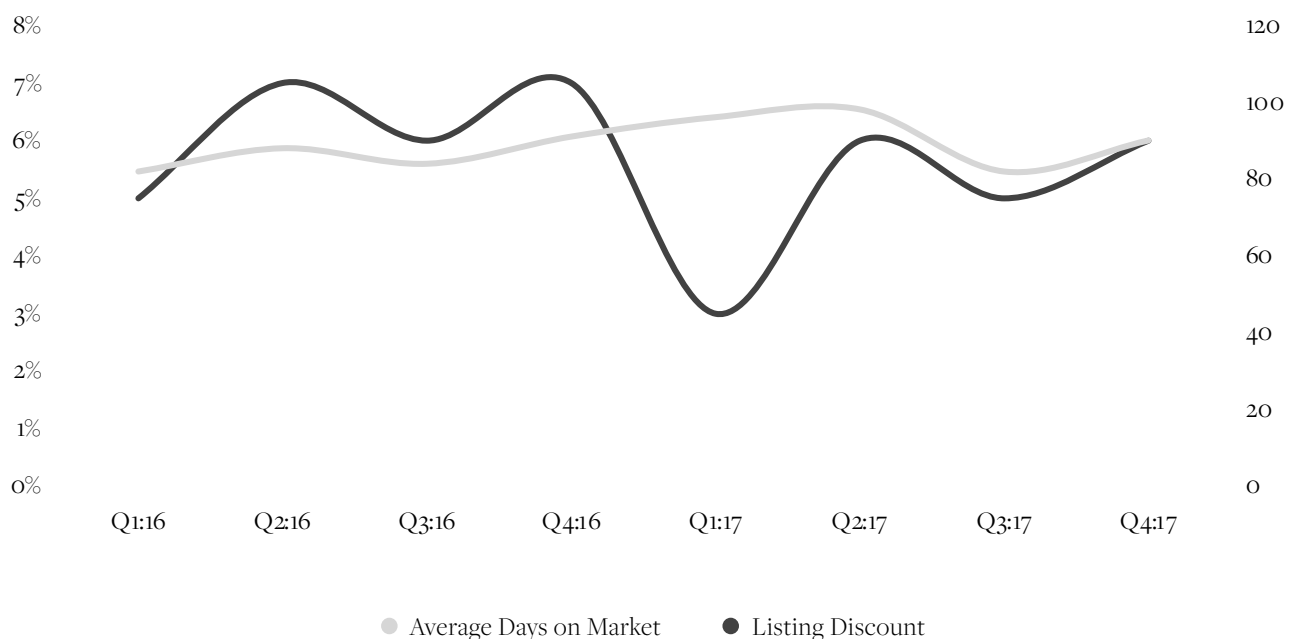
# Average Days on Market Listing Discount

All New York City

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017
Average Days on Market	82	88	84	91	96	98	82	90
Listing Discount	5%	7%	6%	7%	3%	6%	5%	6%

The average days on the market for an apartment was 90 for the fourth quarter of 2017 which is nearly equal with prior year but 10% longer time than prior quarter. The average listing discount for the fourth quarter of 2017 is 6% which is up from 5% exhibited in the prior quarter.

## Average Days on Market vs. Listing Discount





Property from the Collection of  
Herb and Helen Gordon  
**BIKASH BHATTACHARJEE**  
Untitled (Rooftops), 1964  
Estimate \$ 70,000 – 90,000

## Asia Week

Auctions New York 19–24 March 2018

**The Great Within:**  
**Photographs of India**  
**and the British Raj in**  
**the 19th century**  
Selling exhibition  
14–29 March

**Luis Chan: The World**  
**Comes to Him**  
Selling Exhibition  
15–28 March

**Modern & Contemporary**  
**South Asian Art**  
Auction 19 March

**MING: Luminous Dawn**  
**of Empire**  
Auction 20 March

**Jingyatang: Treasures**  
**of Buddhist Sculpture**  
Auction 20 March

**KANGXI: The Jie Rui**  
**Tang Collection**  
Auction 20 March

**Inspired: Chinese Art from**  
**the Collection of Gerson**  
**and Judith Leiber**  
Auction 20 March

**Important Chinese Art**  
Auction 21 March

**The Richard R. and**  
**Magdalena Ernst**  
**Collection of Himalayan Art**  
Auction 22 March

**Indian, Himalayan**  
**and Southeast Asian**  
**Works of Art**  
Auction 22 March

**The Chew Family**  
**Collection of Chinese**  
**Paintings & Calligraphy**  
Auction 22 March

**Fine Classical Chinese**  
**Paintings & Calligraphy**  
Auction 23 March

**Saturday at Sotheby's:**  
**Asian Art**  
Auction 24 March

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and view the worldwide auction schedule at [sothebys.com/auctions](http://sothebys.com/auctions).



# The Luxury Market

All New York City  
Co-Ops, Condos & Townhouses Over \$10m

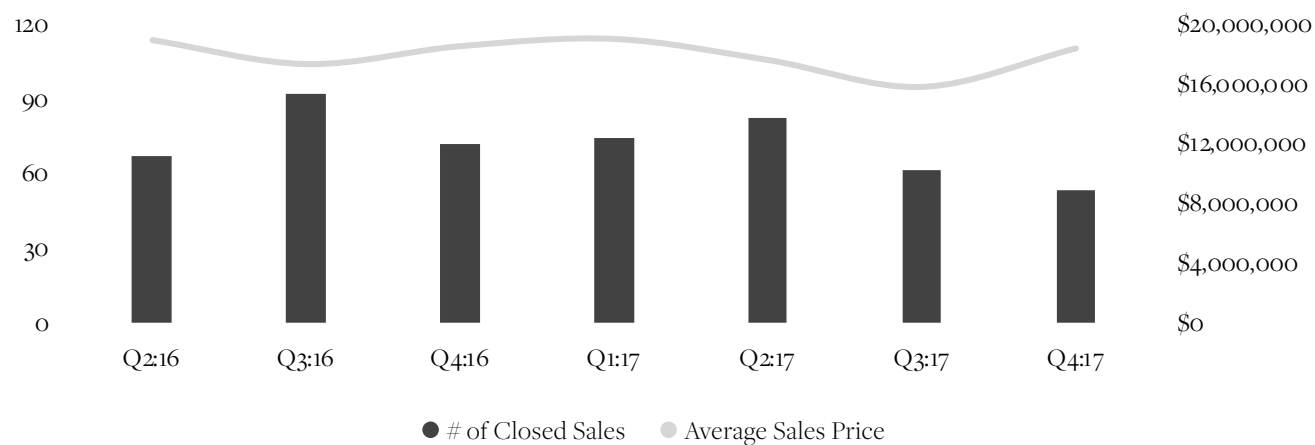
## Total Volume by Price Point

	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017
# of Closed Sales	67	92	72	74	82	61	53
Average Sales Price	\$18,935,000	\$17,305,000	\$18,527,000	\$19,018,000	\$17,582,000	\$15,749,000	\$18,373,617
Highest Sales Price	\$59,144,000	\$13,892,000	\$60,894,000	\$65,662,000	\$55,000,000	\$44,000,000	\$91,000,000

Over the fourth quarter of 2017 there were 53 ultra-luxury sales, which is a 26% decline from the prior year and 13% decline from the prior quarter. The average sale price in this market sector was \$18,374,000 which is 1% lower than Q4 2016. The highest posted sale price this quarter was \$91mil for a combination apartment at the top of 432 Park Avenue.

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## Average Selling Price vs. # of Closed Sales





{Q4 | 2017}

# Condos

## MANHATTAN

Fourth quarter 2017 witnessed 1,180 closed condo sales which is an 8% decline from the prior year. The average sales price declined 9% to \$2,698,486 year over year, and the median sales price fell by 5% to \$1,614,500. The average price per square foot was also lower as the measure fell 9% to \$1,864. In the market segment under \$3mil, the average sales price was down 3% compared to the prior year while the median sale price increased 3% to end at \$1,287,000. Average price for sold condo units priced greater than \$10 mil was flat compared to Q4 2016 at \$18.9M. The total number of sold units over \$10mil was down 17% year over year as luxury sales continue to experience an oversupply and resistance to unrealistic pricing by buyers.

-9%

Change in Average Selling Price  
{2017 v 2016}

-8%

Change in Units Sold  
{2017 v 2016}

1180

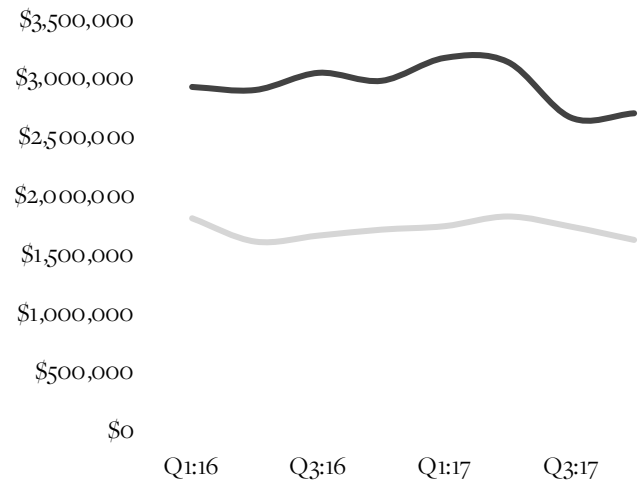
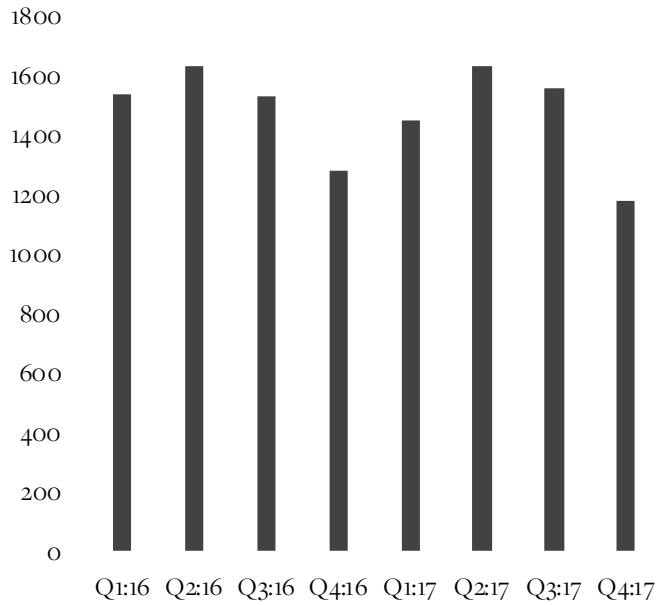
Units Sold

\$2.7m

Average Selling Price

## Number of Closed Sales

## Average / Median Sales Price



● Average Sales Price ● Median Sales Price

		Number of Closed Sales	Average Sales Price	Median Sales Price	Median Price/Sq.Ft.
UNDER \$3 Million	{2017 v 2016}	-4%	-3%	3%	-2%
	Q4 '17	884	\$1,341,380	\$1,287,000	\$1,438
	Q4 '16	924	\$1,377,880	\$1,250,000	\$1,462
BETWEEN \$3 - 10 Million	{2017 v 2016}	-17%	-9%	-7%	-4%
	Q4 '17	251	\$4,568,160	\$4,292,000	\$2,295
	Q4 '16	303	\$4,993,100	\$4,600,000	\$2,391
ABOVE \$10 Million	{2017 v 2016}	-17%	0%	-7%	-14%
	Q4 '17	45	\$18,929,460	\$15,294,000	\$3,899
	Q4 '16	54	\$19,019,000	\$16,377,000	\$4,544
ALL Price Points	{2017 v 2016}	-8%	-9%	-5%	-9%
	Q4 '17	1180	\$2,698,486	\$1,614,050	\$1,864
	Q4 '16	1281	\$2,976,656	\$1,700,000	\$2,050



{Q4 | 2017}

# Co-Ops

## MANHATTAN

Fourth quarter 2017 co-op sales were down by 6% from the prior year. The average co-op sales price was 3% higher compared to prior year at \$1,245,580. However, the average co-op sale price has declined for 2 consecutive quarters. In the market under \$3mil, the average and median sales price increased by 4% and 2% respectively year over year. The number of closed sales below \$3mil declined 7% compared to fourth quarter 2016. For co-op units in the price tier ranging from \$3mil to \$10 mil, the average sales price posted a gain of 3% while the median sales price was down 2% year over year. There were 8 recorded sales in the top tier co-op price bracket, \$10mil and higher, posting a 47% decline in the number of sales compared with Q4 2016.

3%

Change in Average Selling Price  
{2017 v 2016}

-6%

Change in Units Sold  
{2017 v 2016}

1516

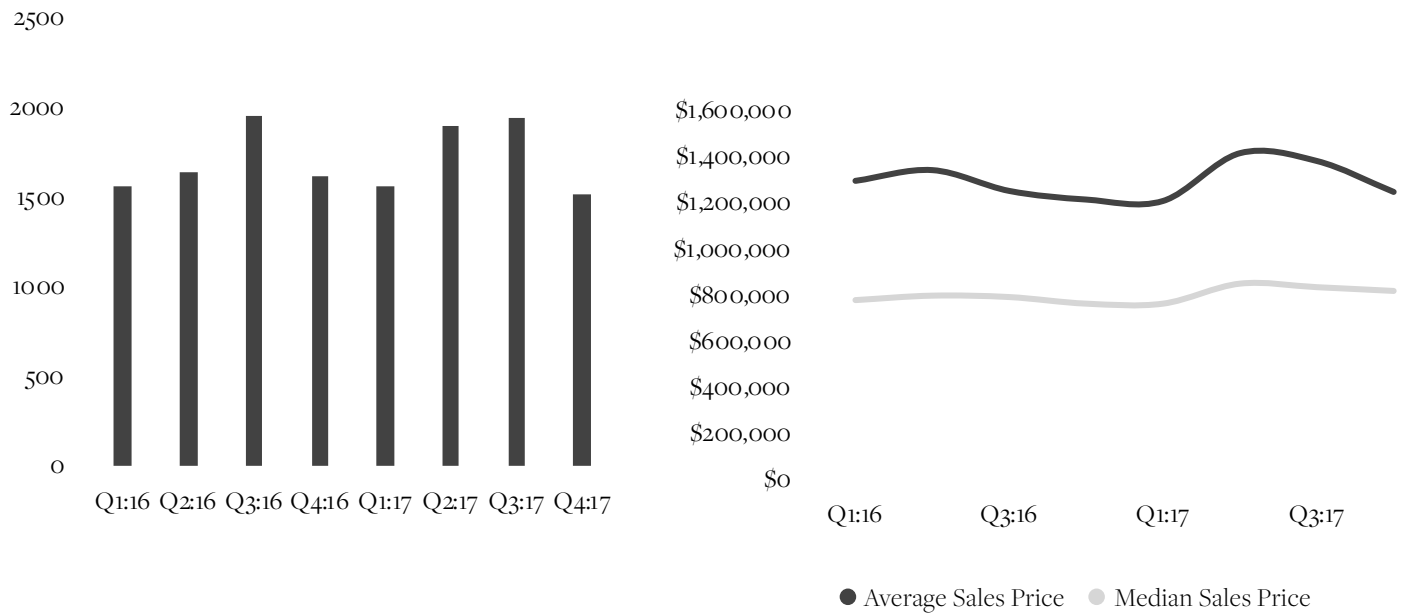
Units Sold

\$1.2m

Average Selling Price

## Number of Closed Sales

## Average / Median Sales Price



		Number of Closed Sales	Average Sales Price	Median Sales Price
UNDER \$3 Million	{2017 v 2016}	-7%	4%	2%
	Q4 '17	1410	\$949,000	\$750,000
	Q4 '16	1510	\$913,000	\$735,000
BETWEEN \$3 - 10 Million	{2017 v 2016}	15%	3%	-2%
	Q4 '17	98	\$4,746,000	\$4,000,000
	Q4 '16	85	\$4,595,000	\$4,087,000
ABOVE \$10 Million	{2017 v 2016}	-47%	2%	11%
	Q4 '17	8	\$15,247,000	\$15,750,000
	Q4 '16	15	\$15,018,000	\$14,177,000
ALL Price Points	{2017 v 2016}	-6%	3%	4%
	Q4 '17	1516	\$1,245,580	\$794,430
	Q4 '16	1610	\$1,212,260	\$765,000

# Neighborhood Highlights

## Upper East Side

{# of Closed Sales | Average Sales Price | Median Sale Price - Year over Year}

CONDOS	Q4 2017	Q4 2016	% Change
Closed Sales	183	135	36%
Average Sales Price	\$2,435,800	\$2,225,000	9%
Median Sales Price	\$1,567,500	\$1,775,000	-12%
CO-OPS	Q4 2017	Q4 2016	% Change
Closed Sales	405	411	-1%
Average Sales Price	\$1,460,000	\$1,719,000	-15%
Median Sales Price	\$825,000	\$913,000	-10%

This market area showed a level number of sales in the co-op sector and a significant increase in closed sales in the condominium sector. However, the average co-op sale price posted a 15% decline to \$1,460,000 while the median sale price fell 10% from the prior year to \$825,000. Condo average sale prices were up 9% to \$2,436,000 from \$2,225,000. However, the median sales price of condos on the Upper East Side was lower by 12% compared to last year.

## Upper West Side

{# of Closed Sales | Average Sales Price | Median Sale Price - Year over Year}

CONDOS	Q4 2017	Q4 2016	% Change
Closed Sales	211	191	10%
Average Sales Price	\$3,061,000	\$3,030,000	1%
Median Sales Price	\$2,173,000	\$2,000,000	9%
CO-OPS	Q4 2017	Q4 2016	% Change
Closed Sales	235	316	-26%
Average Sales Price	\$1,597,000	\$1,415,000	13%
Median Sales Price	\$1,115,000	\$925,000	21%

The total number of co-op sales on the Upper West Side was 235, with an average sales price of \$1,597,000, a 13% increase from the prior year. The total number of closed condo sales increased by 10%, with an average sales price that also increased by 1% to \$3,061,000.

## Midtown

{# of Closed Sales | Average Sales Price | Median Sale Price - Year over Year}

CONDOS	Q4 2017	Q4 2016	% Change
Closed Sales	229	324	-29%
Average Sales Price	\$3,053,000	\$3,218,000	-5%
Median Sales Price	\$1,475,000	\$1,305,000	13%

CO-OPS	Q4 2017	Q4 2016	% Change
Closed Sales	215	238	-10%
Average Sales Price	\$1,075,000	\$939,000	14%
Median Sales Price	\$739,000	\$670,000	10%

The average co-op sales price in this market increased 14% to \$1,075,000 while the median co-op price was up 10% over the prior year. This market area had an average condo sales price of \$3,053,000, 5% lower than prior year. The median sale price increased 13% to \$1,475,000.

## Uptown

{# of Closed Sales | Average Sales Price | Median Sale Price - Year over Year}

CONDOS	Q4 2017	Q4 2016	% Change
Closed Sales	91	105	-14%
Average Sales Price	\$1,060,000	\$864,000	23%
Median Sales Price	\$750,000	\$760,000	-1%

CO-OPS	Q4 2017	Q4 2016	% Change
Closed Sales	120	143	-16%
Average Sales Price	\$574,000	\$570,000	1%
Median Sales Price	\$565,000	\$490,000	15%

The average sales price of co-ops was \$574,000, stable compared to prior year. The median sales price of a co-op unit increased 15% to \$570,000. Although there were fewer sales in the condo segment, these sales traded at higher price points propelling the average condo sales price to \$1,060,000, a gain of 23% over prior year.

# Neighborhood Highlights

## Downtown

{# of Closed Sales | Average Sales Price | Median Sale Price - Year over Year}

CONDOS	Q4 2017	Q4 2016	% Change
Closed Sales	357	425	-16%
Average Sales Price	\$3,843,000	\$4,297,000	-11%
Median Sales Price	\$2,130,000	\$2,626,950	-19%
CO-OPS	Q4 2017	Q4 2016	% Change
Closed Sales	513	480	7%
Average Sales Price	\$1,236,000	\$1,091,000	13%
Median Sales Price	\$800,000	\$820,000	-2%

The 513 co-op sales in the fourth quarter of 2017 marked a 7% increase year over year. The co-op average sales price was up 13%, rising to \$1,236,000. The median co-op sales price was down slightly to \$800,000. In the condo sector, the number of sold units was down 16% compared to the prior year. Fewer new construction sales led to a decline in the average and median sales price, a decrease of 11% and 19% respectively.

## Financial District / Battery Park

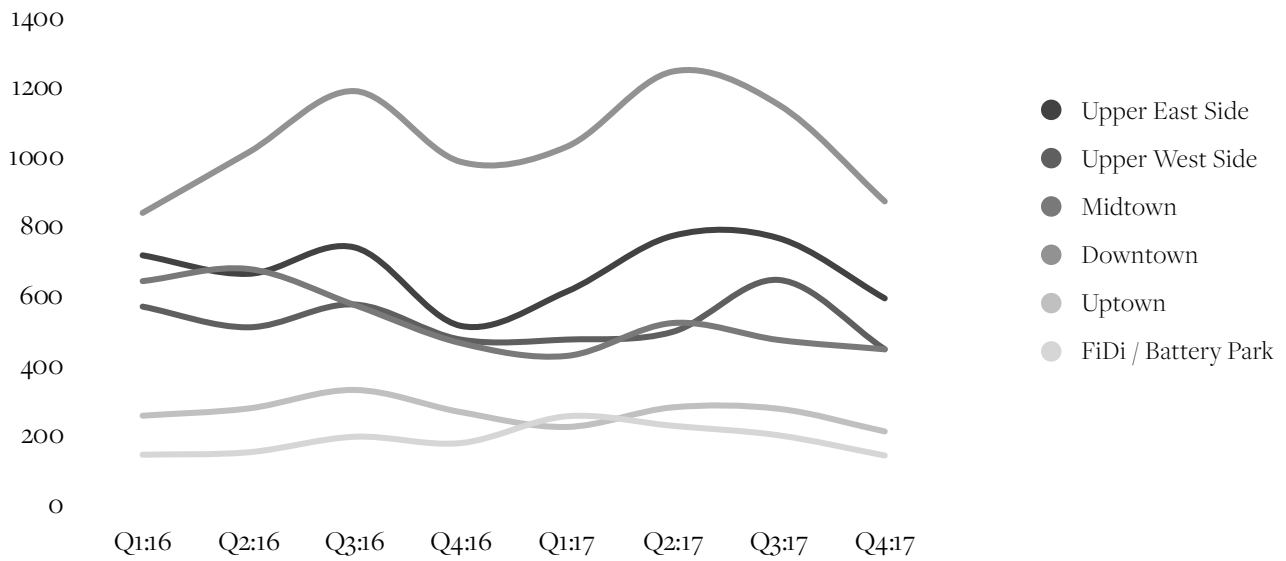
{# of Closed Sales | Average Sales Price | Median Sale Price - Year over Year}

CONDOS	Q4 2017	Q4 2016	% Change
Closed Sales	109	101	8%
Average Sales Price	\$1,723,300	\$1,217,000	42%
Median Sales Price	\$1,225,500	\$900,000	36%
CO-OPS	Q4 2017	Q4 2016	% Change
Closed Sales	28	22	30%
Average Sales Price	\$975,000	\$825,000	18%
Median Sales Price	\$780,000	\$748,000	4%

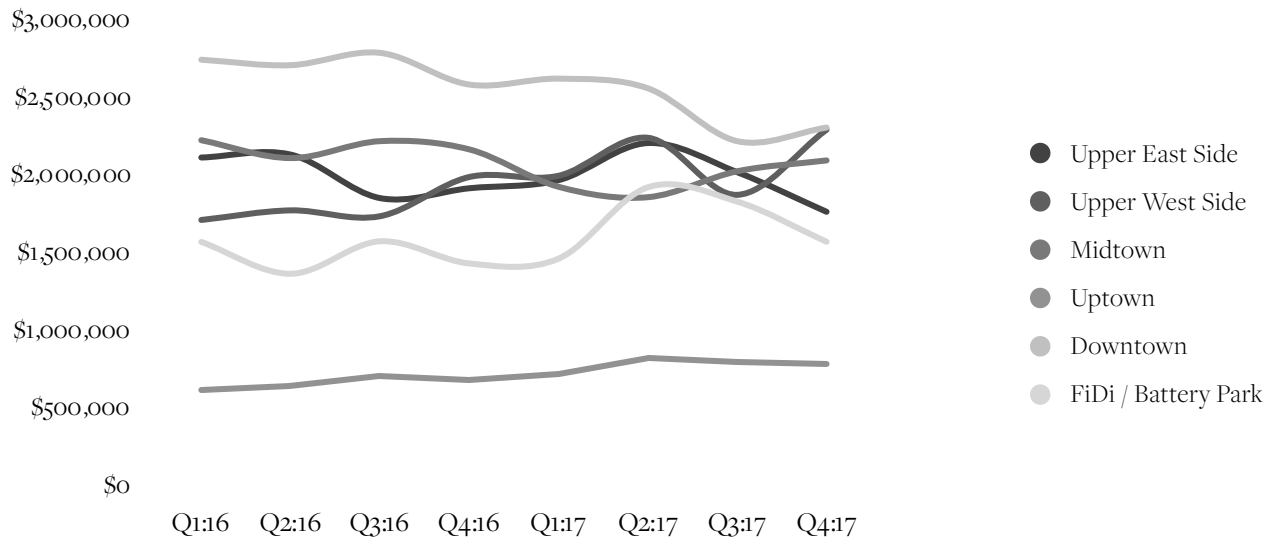
This market area had the fewest co-ops sales of any market with just 28 closed co-op sales. These sales displayed an average sale price of \$975,000 while the median sale price was \$780,000. There were 109 condo units closed in the fourth quarter of 2017, an 8% increase over the prior year. Condominium prices increased substantially because of new construction developments. The average sale price was 42% higher while the median increased 36% compared to Q4 2016.



## Total Number of Sales by Neighborhood



## Average Sales Price by Neighborhood



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