

Q4 | 2019
New York City
Market Update

Sotheby's
INTERNATIONAL REALTY





Web: 01311300

Market Overview

{Q4 | 2019}

MANHATTAN

After a difficult start to the fourth quarter, the condo and co-op market improved in December signaling a return to normalcy that the real estate market had not experienced throughout the rest of 2019. This increased activity, triggered by significant price reductions across markets, suggests that buyers are willing to come off the sidelines only when they perceive significant value.

The strong end-of-quarter push resulted in the total number of units sold to decrease 2% compared to Q4 2018, according to data from ACRIS and PropertyShark. The average sales price of property in Manhattan declined 11%, from \$2.06M to \$1.83M, as the market fought against an influx of inventory at the upper end of the market. Condo and co-ops were required to concede to the abundant supply and the market saw a notable number of price reductions throughout the city.

The market priced below \$3M saw a 2% increase in the number of units sold. This segment made up 89% of the total market, which was up 85% from the fourth quarter of 2018. The average price of properties priced below \$3M in Manhattan was \$1.13M, a 4% increase compared to Q4 2018. Condos specifically helped drive this price segment's average price higher with a 7% increase year-over-year, while co-ops only experienced a 2% increase year-over-year.

All price brackets had a decrease in number of properties sold when compared to the same time last year. The market above \$3M witnessed a 24% decline in the number of properties sold and the middle tier, between \$3M and \$10M, had a 19% decline in the number of sold properties. The upper tier, priced above \$10M, was affected the most after the number of properties sold fell 55% year over year (28 units in 2019 vs. 63 units in 2018) increasing the average price per unit by 48% to \$32.76M.

2,717

Closed Sales

-2%

Change in Closed Sales
{2019 v 2018}

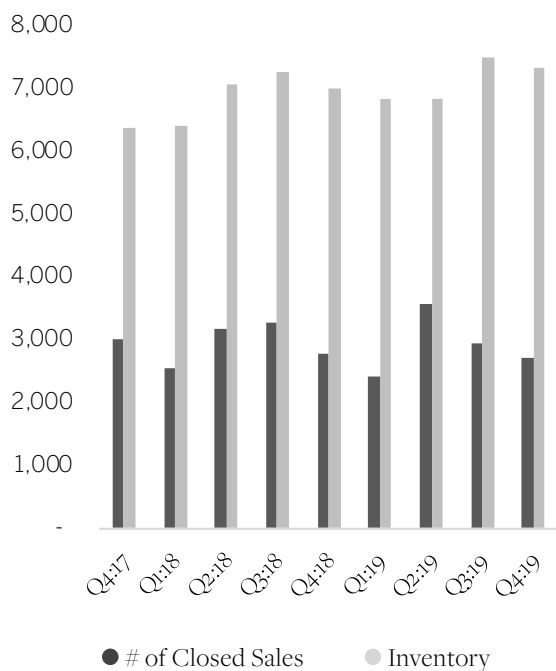
\$1.83M

Average Sales Price

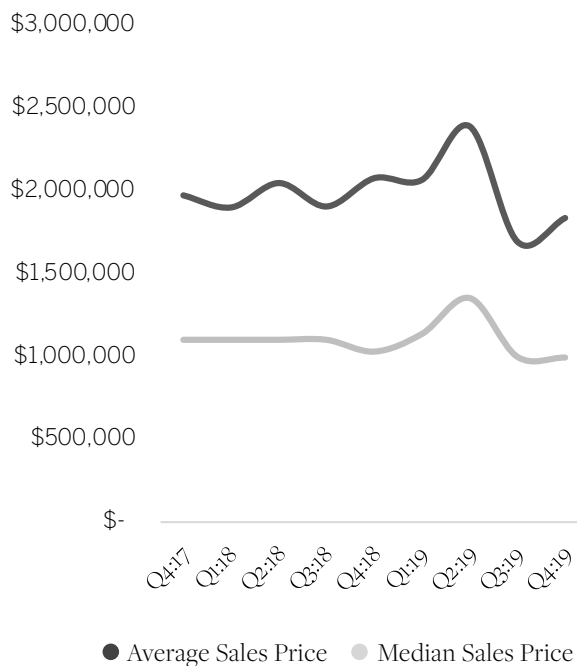
-11%

Change in Average Sales Price
{2019 v 2018}

Number of Closed Sales vs. Inventory



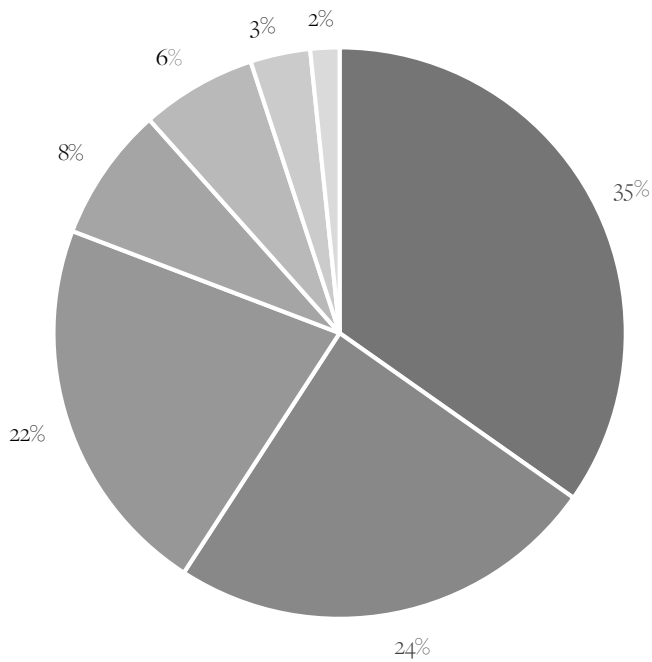
Average / Median Sales Price



		Number of Closed Sales	Average Sales Price	Median Sales Price
UNDER \$3 Million	{2019 v 2018}	2%	4%	2%
	4Q:19	2,408	\$1.13M	\$910K
	4Q:18	2,366	\$1.09M	\$895K
BETWEEN \$3 - 10 Million	{2019 v 2018}	-19%	-6%	-3%
	4Q:19	280	\$4.76M	\$4.40M
	4Q:18	345	\$5.05M	\$4.55M
OVER \$10 Million	{2019 v 2018}	-55%	48%	51%
	4Q:19	28	\$32.76M	\$25.75M
	4Q:18	63	\$22.08M	\$17.00M
ALL Price Points	{2019 v 2018}	-2%	-11%	-3%
	4Q:19	2,717	\$1.83M	\$995K
	4Q:18	2,774	\$2.06M	\$1.03M

Inventory

All New York City

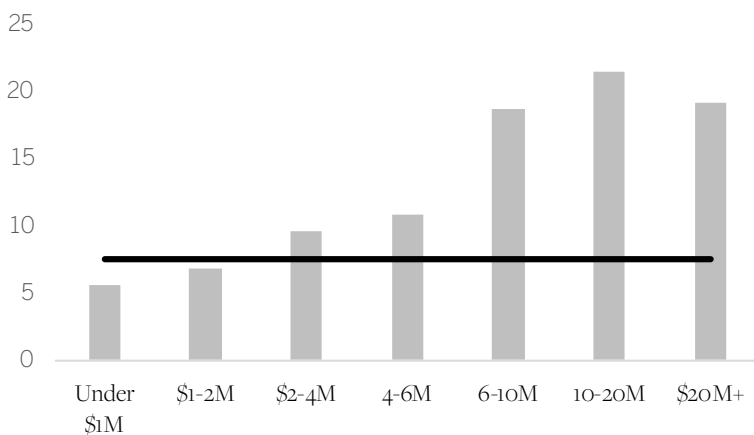


Number of Active 12/31/19 Listings

● 2,550	Under \$1 Million
● 1,788	\$1 - 2 Million
● 1,587	\$2 - 4 Million
● 558	\$4 - 6 Million
● 480	\$6 - 10 Million
● 248	\$10 - 20 Million
● 121	\$20 Million and Above
7,332	TOTAL

CONDOS & CO-OPS (based on 12 months of closed sales 1/1/2019-12/31/2019)

The historic absorption range of equilibrium for the New York City market area is 6-8 months. With the constant oversupply of units in the upper tiers in 2019, the market will continue to drive negotiability for sellers. This continues to drive home the fact that accurate pricing drives the absorption of units across Manhattan and at all price points. The Manhattan absorption rate for properties under \$2M is steady at 7.5 months. Properties priced above \$2M continued to have supply levels of 9 months or greater, which is indicative of a buyer's market. For the entire year of 2019, the top four price tiers above \$4M have consistently shown more than a 10-month supply.



Absorption Rate

- Line of Equilibrium
- Absorption

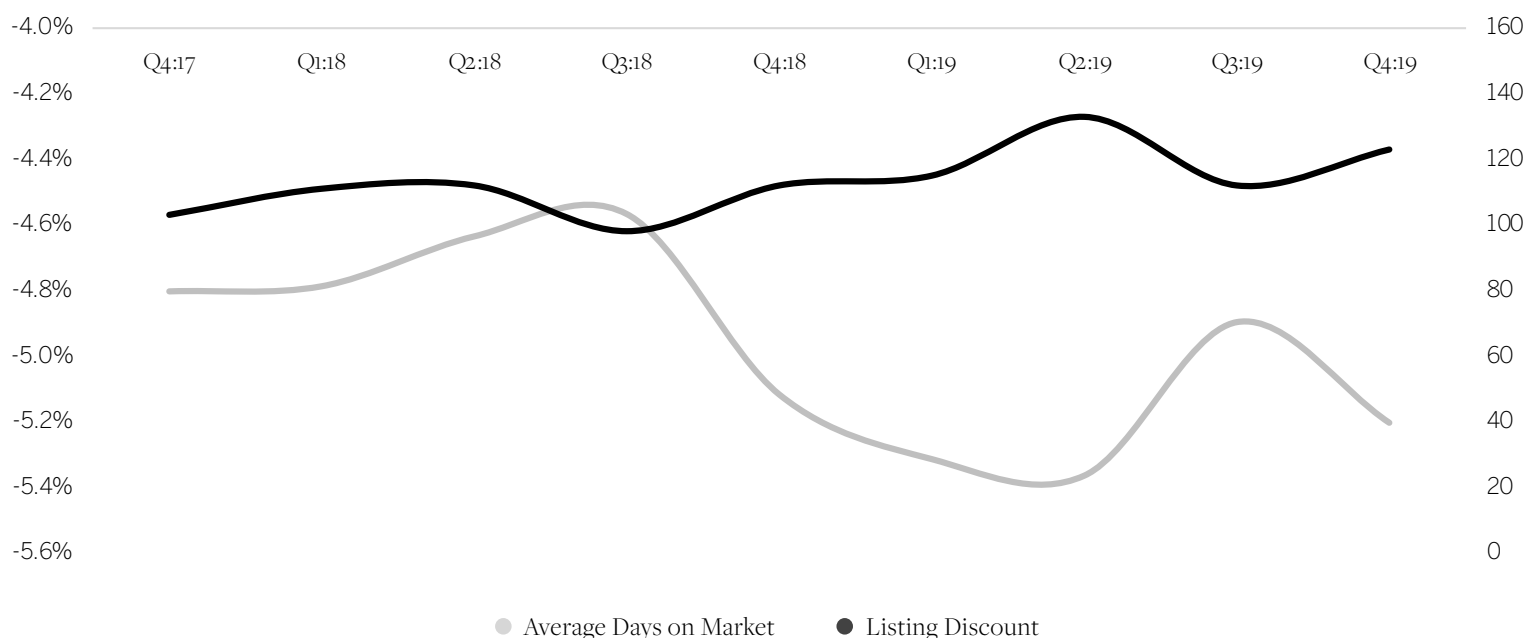
The absorption rate is calculated by taking the total number of currently active listings and dividing by the average number of closed sales over the 12-month period.

Average Days on Market Listing Discount

All New York City

	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Average Days on Market	103	111	112	98	112	115	133	112	123
Listing Discount	-4.8%	-4.8%	-4.6%	-4.6%	-5.1%	-5.3%	-5.4%	-4.9%	-5.2%

Average Days on Market vs. Listing Discount





Sotheby's

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BIDDERS AND CONSIGNORS**



TO BE OFFERED AT AMELIA ISLAND
1965 Shelby Mustang

16-17 JANUARY

ARIZONA

PHOENIX, ARIZONA

5 FEBRUARY

PARIS

PARIS, FRANCE

6-7 MARCH

AMELIA ISLAND

AMELIA ISLAND, FLORIDA

20-21 MARCH

PALM BEACH

PALM BEACH, FLORIDA

27 MARCH

ESSEN

ESSEN, GERMANY

9 MAY

MONACO

MONTE CARLO, MONACO

14-15 AUGUST

MONTEREY

MONTEREY, CALIFORNIA

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The Luxury Market

All New York City
Co-Ops & Condos Over \$10M

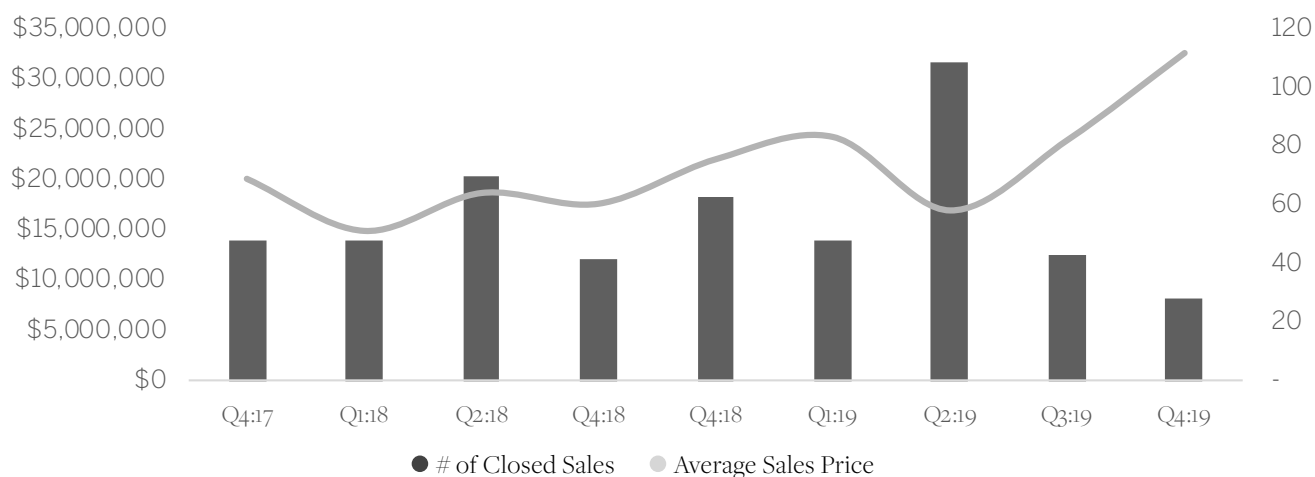
Closed Sales Count, Average Sales Price & Highest Sales Price

	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
# of Closed Sales	48	48	70	42	63	48	109	43	28
Average Sales Price	\$20.12M	\$14.89M	\$18.68M	\$17.62M	\$22.08M	\$24.32M	\$16.94M	\$22.86M	\$32.76M
Highest Sales Price	\$91.13M	\$32.58M	\$59.06M	\$43.50M	\$73.80M	\$239.96M	\$51.55M	\$65.75M	\$92.74M

In the fourth quarter of 2019 there were a mere 28 luxury sales, down 55% from the prior year and 34% from the 43 properties sold in the third quarter of 2019. The average sales price in this market sector grew by 48% to \$32.76M compared to Q4 2018, which had an average of \$22.08M. The highest recorded sales price this quarter was \$92.74M.

SOTHEBYSHOMES.COM/NYC

Average Sales Price vs. # of Closed Sales





{Q4 | 2019}

Condos

MANHATTAN

The 1,111 closed condo sales this quarter reflected a 5% decrease in the number of sold units compared to the 1,173 condo sales in Q4 2018. The average sales price also fell by 12% year-over-year to \$2.74M in Q4 2019. The median sales price increased by 6% to \$1.56M compared to \$1.48M in Q4 2018. The average price per square foot fell by 4% to \$2,127 per sq. ft.

The segment under \$3M, which represents 80% of the market, saw the total number of units sold fall by 1% year-over-year. The average sales price in this market segment was \$1.43M, which was up 7% year-over-year. The median sales price increased 6% to \$1.27M.

The number of closed sales in the \$3-\$10M segment fell by 10%, while the average price increased by 7% to \$4.91M and median sale price decreased 3%. For condo units over \$10M, there was a 60% decrease in the number of sold units during this period over last year with 22 closed sales. While the number of sold units declined, the average and median sales prices rose by 52% and 39% respectively. Driven by new development sales that were signed into contract 12-18 months prior, the average price per square foot for units priced over \$10M was 34% higher than prior year at \$7,130 per sq. ft.

1,111

Closed Sales

-5%

Change in Closed Sales
{2019 v 2018}

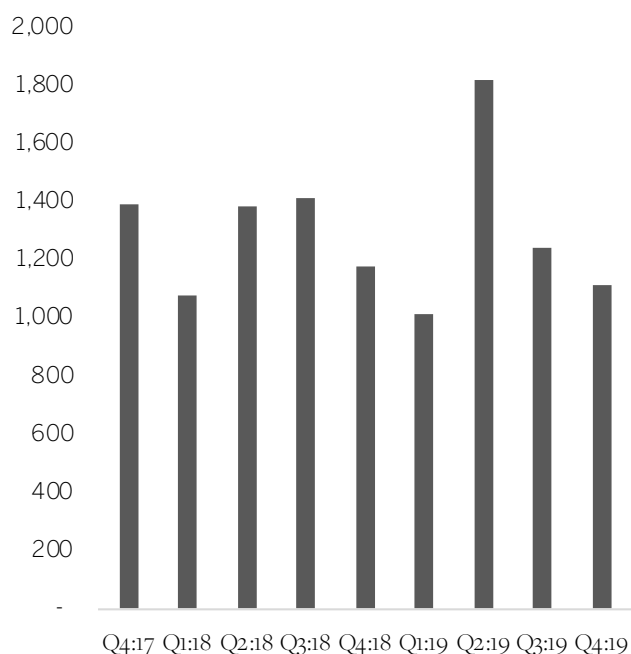
\$2.74M

Average Sales Price

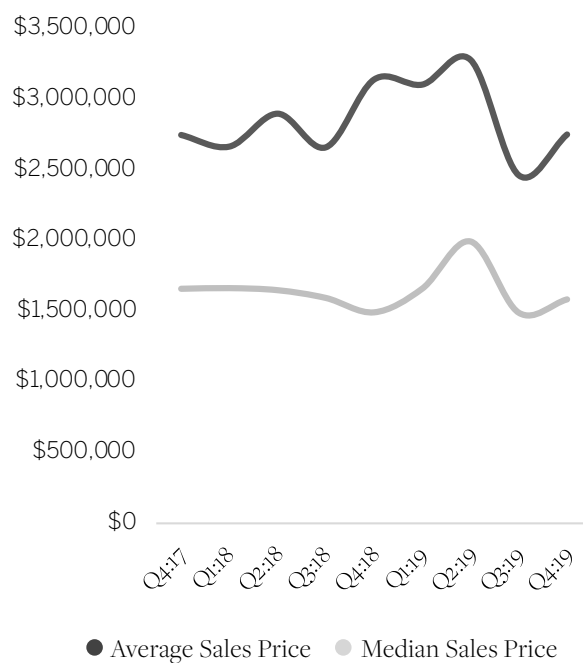
-12%

Change in Average Sale Price
{2019 v 2018}

Number of Closed Sales



Average / Median Sales Price



		Number of Closed Sales	Average Sales Price	Median Sales Price	Average Price/Sq. Ft.
UNDER \$3 Million	{2019 v 2018}	-1%	7%	6%	4%
	4Q:19	887	\$1.43M	\$1.27M	\$1,449
	4Q:18	893	\$1.33M	\$1.20M	\$1,400
BETWEEN \$3 - 10 Million	{2019 v 2018}	-10%	7%	-3%	4%
	4Q:19	202	\$4.91M	\$4.60M	\$2,216
	4Q:18	225	\$4.60M	\$4.74M	\$2,124
ABOVE \$10 Million	{2019 v 2018}	-60%	52%	39%	34%
	4Q:19	22	\$35.49M	\$26.00M	\$7,130
	4Q:18	55	\$23.39M	\$18.75M	\$5,306
ALL Price Points	{2019 v 2018}	-5%	-12%	6%	-4%
	4Q:19	1,111	\$2.74M	\$1.58M	\$2,127
	4Q:18	1,173	\$3.11M	\$1.48M	\$2,220



{Q4 | 2019}

Co-Ops

MANHATTAN

The 1,606 sold co-ops in the fourth quarter of 2019 were flat compared to Q4 2018. At \$1.20M, the average co-op price was down by 7% year-over-year.

In the price segment under \$3M, the average sales price increased 2%, while the median sales price fell 4% year-over-year. Driven by consumer's focus on absolute value, the number of closed sales increased by 3% during the fourth quarter of 2019 compared to the same period of 2018 at this price point. This market segment drives the co-op market as properties priced below \$3M represents 95% of the co-op market.

In the price tier ranging from \$3M to \$10M, the number of closed sales fell 34%. Additionally, the average sales price decreased by 9% and the median sales price fell 1% compared to Q4 2018.

While there were only six recorded sales in the top tier co-op price bracket above \$10M, purchasers showed their proclivity to purchase in established white-glove buildings.

Markedly, the average sales price of these units, \$22.53M, was 71% higher than the prior year where 8 units were sold at an average sales price of \$13.13M. At \$15.9M, the median sales price increased by 32% when compared to Q4 2018.

1,606

Closed Sales

0%

Change in Closed Sales
{2019 v 2018}

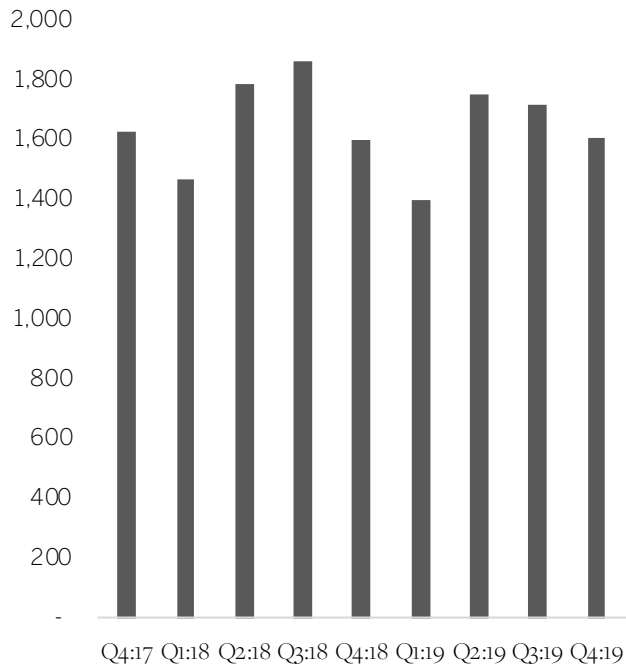
\$1.20M

Average Sales Price

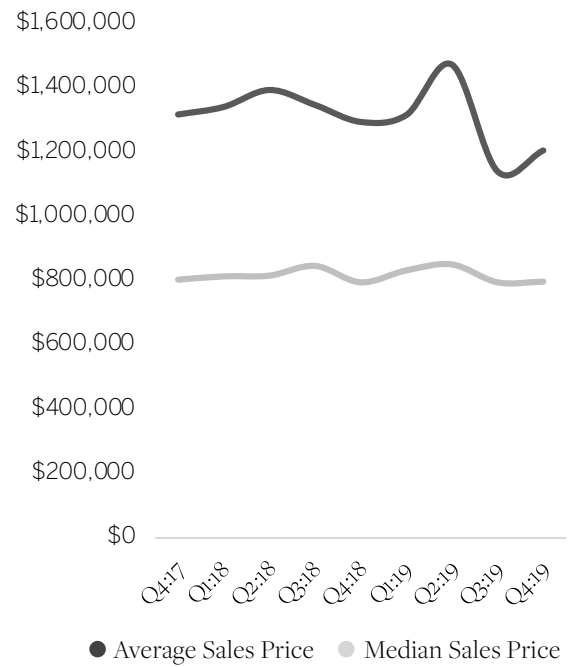
-7%

Change in Average Sales Price
{2019 v 2018}

Number of Closed Sales



Average / Median Sales Price



		Number of Closed Sales	Average Sales Price	Median Sales Price
UNDER \$3 Million	{2019 v 2018}	3%	2%	-4%
	4Q:19	1,521	\$954K	\$760K
	4Q:18	1,473	\$936K	\$795K
BETWEEN \$3 - 10 Million	{2019 v 2018}	-34%	-9%	-1%
	4Q:19	79	\$4.40M	\$4.25M
	4Q:18	120	\$4.85M	\$4.29M
ABOVE \$10 Million	{2019 v 2018}	-26%	71%	32%
	4Q:19	6	\$22.53M	\$15.90M
	4Q:18	8	\$13.13M	\$12.09M
ALL Price Points	{2019 v 2018}	0%	-7%	0%
	4Q:19	1,606	\$1.20M	\$793K
	4Q:18	1,601	\$1.29M	\$790K

Neighborhood Highlights

Upper East Side | *north of 58th street and south of 96th Street, Fifth Avenue to East End Avenue*

CONDOS	Q4 2019	Q4 2018	% Change
Closed Sales	144	160	-10%
Average Sales Price	\$1.89M	\$4.98M	-62%
Median Sales Price	\$1.51M	\$1.10M	37%
COOPS	Q4 2019	Q4 2018	% Change
Closed Sales	432	457	-6%
Average Sales Price	\$1.64M	\$1.76M	-7%
Median Sales Price	\$990K	\$985K	1%

Upper West Side | *north of 58th Street and south of 110th Street, CPW to Riverside Drive (including CPS)*

CONDOS	Q4 2019	Q4 2018	% Change
Closed Sales	166	194	-14%
Average Sales Price	\$5.67M	\$3.30M	72%
Median Sales Price	\$1.36M	\$1.09M	25%
COOPS	Q4 2019	Q4 2018	% Change
Closed Sales	325	334	-3%
Average Sales Price	\$1.31M	\$1.33M	-1%
Median Sales Price	\$950K	\$897K	6%

Midtown | *north of 34th Street and south of 57th Street*

CONDOS	Q4 2019	Q4 2018	% Change
Closed Sales	166	270	-38%
Average Sales Price	\$1.52M	\$2.31M	-34%
Median Sales Price	\$1.03M	\$1.12M	-8%
COOPS	Q4 2019	Q4 2018	% Change
Closed Sales	258	235	10%
Average Sales Price	\$756K	\$825K	-8%
Median Sales Price	\$648K	\$610K	6%

Uptown | *north of 96th Street on the East Side and north of 110th Street on the West Side*

CONDOS	Q4 2019	Q4 2018	% Change
Closed Sales	96	105	-8%
Average Sales Price	\$954K	\$911K	5%
Median Sales Price	\$850K	\$845K	1%
COOPS	Q4 2019	Q4 2018	% Change
Closed Sales	153	141	8%
Average Sales Price	\$575K	\$623K	-8%
Median Sales Price	\$510K	\$555K	-8%

Neighborhood Highlights

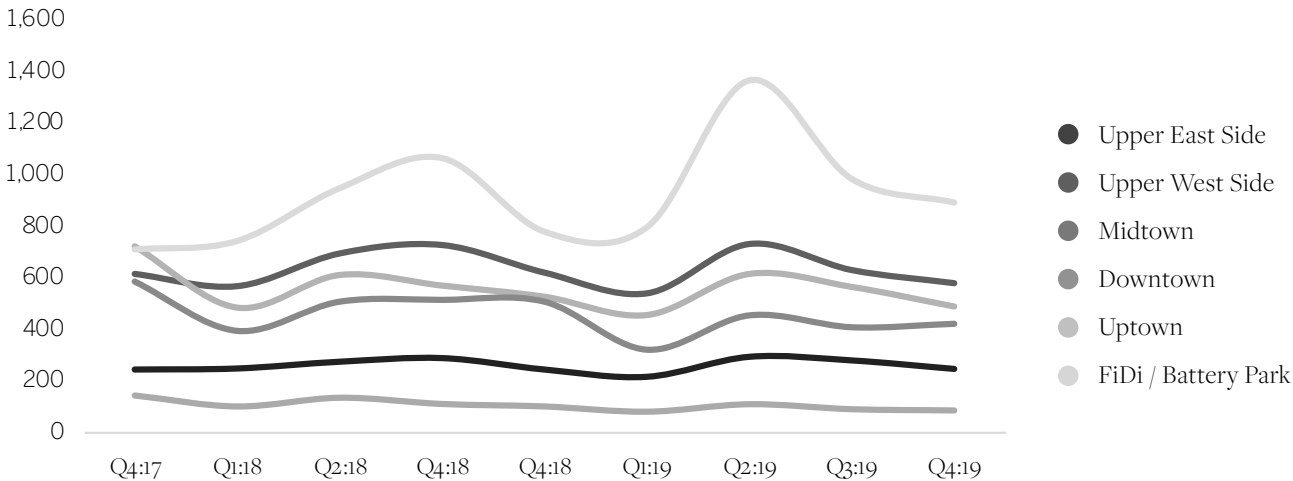
Downtown | *South of 34th Street through TriBeCa*

CONDOS	Q4 2019	Q4 2018	% Change
Closed Sales	475	359	32%
Average Sales Price	\$2.94M	\$3.81M	-23%
Median Sales Price	\$2.34M	\$1.11M	111%
COOPS	Q4 2019	Q4 2018	% Change
Closed Sales	415	413	1%
Average Sales Price	\$1.19M	\$1.25M	-5%
Median Sales Price	\$800K	\$820K	-2%

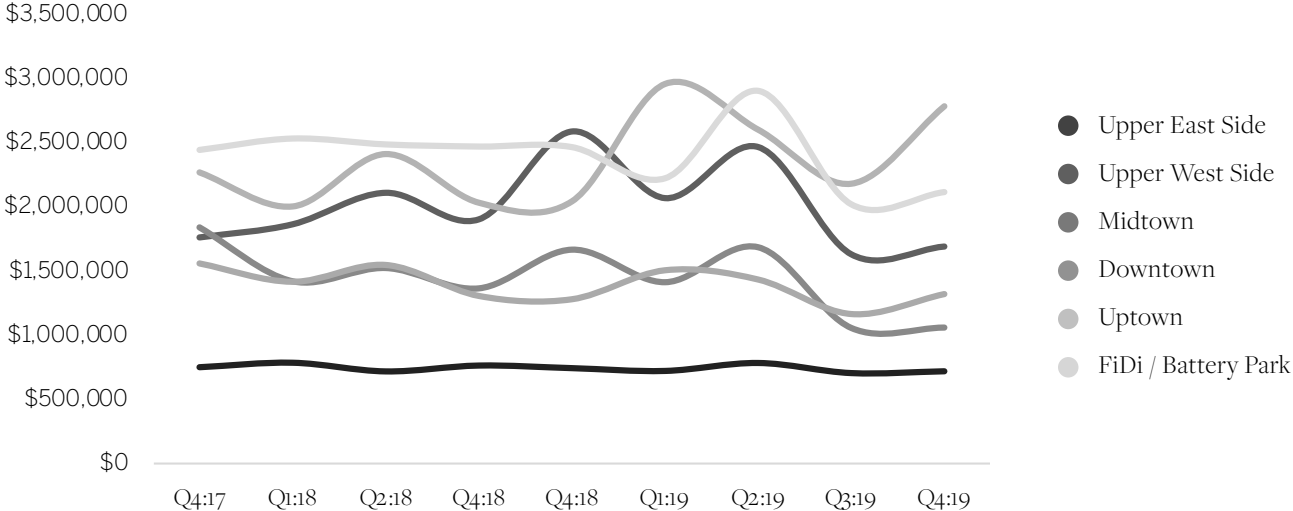
Financial District / Battery Park

CONDOS	Q4 2019	Q4 2018	% Change
Closed Sales	64	81	-21%
Average Sales Price	\$1.47M	\$1.38M	7%
Median Sales Price	\$1.17M	\$995K	18%
COOPS	Q4 2019	Q4 2018	% Change
Closed Sales	22	21	6%
Average Sales Price	\$892K	\$903K	-1%
Median Sales Price	\$875K	\$730K	20%

Total Number of Sales by Neighborhood



Average Sales Price by Neighborhood





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