



# ELLIMAN REPORT

## MANHATTAN

- Modest year-over-year rental price gains continued for fourth consecutive month** Median rental price increased 2.6% from the same period last year to \$3,150. After a 12-month stretch showing a robust 7.5% average year-over-year increase, the most recent four months increased by an average of 1.6%. Average rental price rose 1.6% to \$3,794 and average rental price per square foot increased 3.2% to \$50.71 over the same period. In a year of limited rental concessions, the year-over-year net effective median monthly rent increased 2.6%, as did face rent.
- For the seventh consecutive month, vacancy rate fell below prior year levels** The vacancy rate for Manhattan was 1.54%, down from 1.83% in the prior year month, marking the seventh consecutive monthly year-over-year decline. Rental concessions edged nominally up from 4.7% in the prior year month, but remained low at 5% of all new rental transactions. In January, the average concession was equivalent to one month's rent. Days on market expanded by 12 days from the same month last year to 59, the slowest marketing time since 61 days in August 2011.
- Luxury rental rates outpaced the overall market** Median rental prices for the luxury and super-luxury markets both expanded 5.4% to \$7,595 and \$10,500, respectively. Non-doorman rents and doorman rents expanded a respective 4% and 0.8% as new development rents slipped 1.4% over the same period.

| Manhattan Rental Market                     | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|---|---------|------------|---------|-----------|---------|
| Average Rental Price                        | \$3,794 | -4.5%      | \$3,973 | 1.6%      | \$3,736 |
| Rental Price per Square Foot                | \$50.71 | 1.7%       | \$49.88 | 3.2%      | \$49.16 |
| Median Rental Price                         | \$3,150 | 0.0%       | \$3,150 | 2.6%      | \$3,070 |
| Number of New Rentals                       | 4,729   | 63.0%      | 2,901   | 25.4%     | 3,772   |
| Days on Market (From Original List Date)    | 59      | 3.5%       | 57      | 25.5%     | 47      |
| Listing Discount (From Original List Price) | 3.2%    |            | 5.8%    |           | 3.6%    |
| Listing Inventory                           | 5,186   | 3.6%       | 5,007   | 6.5%      | 4,868   |

(Face Rent)

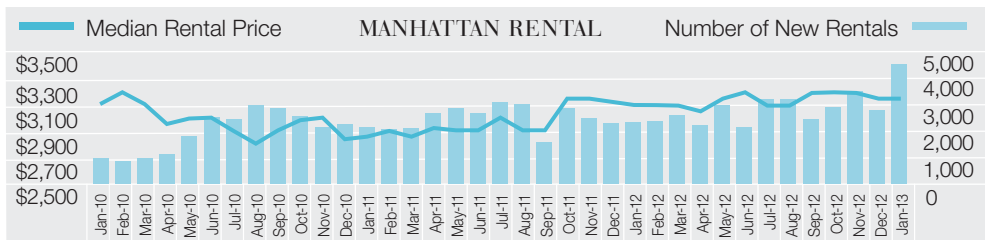
| Manhattan Rental w/Concessions          | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|---|---------|------------|---------|-----------|---------|
| Average Rental Price                    | \$3,779 | -4.6%      | \$3,960 | 1.6%      | \$3,721 |
| Rental Price per Square Foot            | \$50.50 | 1.6%       | \$49.71 | 3.1%      | \$48.97 |
| Median Rental Price                     | \$3,137 | -0.1%      | \$3,139 | 2.6%      | \$3,058 |
| Number of New Rentals w/Concessions (%) | 5.0%    |            | 4.3%    |           | 4.7%    |
| Free Rent/Owner Paid (Mos)              | 1.0     | 0.0%       | 1.0     | 0.0%      | 1.0     |

(Net Effective Rent)

| Manhattan Vacancy Rate | JAN-13 | DEC-12 | JAN-12 |
|------------------------|--------|--------|--------|
| Manhattan              | 1.54%  | 1.77%  | 1.83%  |
| Downtown               | 1.54%  | 1.69%  | 2.30%  |
| East Side              | 1.31%  | 1.70%  | 1.10%  |
| West Side              | 1.83%  | 1.57%  | 1.70%  |
| Uptown                 | 1.51%  | 2.39%  | 2.04%  |

| Manhattan Median Rental Price By Property Type | JAN-13   | %Chg (mos) | DEC-12   | %Chg (YR) | JAN-12  |
|--|----------|------------|----------|-----------|---------|
| Doorman  | \$3,495  | -1.5%      | \$3,550  | 0.8%      | \$3,468 |
| Non-Doorman                                    | \$2,600  | 3.0%       | \$2,525  | 4.0%      | \$2,500 |
| Loft   | \$4,775  | -10.7%     | \$5,350  | -13.2%    | \$5,500 |
| Luxury [Top 10%]                               | \$7,595  | -5.0%      | \$7,995  | 5.4%      | \$7,207 |
| Super-Luxury [Top 5%]                          | \$10,500 | -5.5%      | \$11,110 | 5.4%      | \$9,959 |
| New Development                                | \$3,838  | -12.7%     | \$4,395  | -1.4%     | \$3,893 |

(Face Rent)



The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market in the New York City metropolitan region. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and provide comprehensive analysis of the results.



## Manhattan rental market by **SIZE**

### DOWNTOWN

- Rental prices edged higher overall and in all size categories**

Median rental price increased 2.2% from the same period last year to \$3,397. Larger apartments saw larger year-over-year gains—the median studio rental price increased 1%, while the median 3+ bedroom rental price increased 14%.

- The rise in new rental activity continued across all size categories**

There were 2,003 new rentals in the Downtown region, an 18.7% gain over the same period last year; however, this marked the lowest gain in new rental activity of all four regions.

- The largest year-over-year vacancy rate decline of all four regions**

The Downtown vacancy rate was 1.54%, down from 2.3% in the same month last year, marking the largest decline of the four Manhattan regions.

| Downtown Studio              | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$2,663 | -0.4%      | \$2,675 | -1.4%     | \$2,702 |
| Rental Price per Square Foot | \$55.57 | 6.3%       | \$52.26 | 1.0%      | \$55.00 |
| Median Rental Price          | \$2,500 | -6.5%      | \$2,675 | 1.0%      | \$2,475 |
| Number of New Rentals        | 509     | 62.1%      | 314     | 14.1%     | 446     |

| Downtown 1-Bedroom           | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$3,558 | 0.6%       | \$3,538 | -0.1%     | \$3,561 |
| Rental Price per Square Foot | \$55.73 | 3.3%       | \$53.93 | 1.2%      | \$55.05 |
| Median Rental Price          | \$3,395 | -0.8%      | \$3,422 | 2.6%      | \$3,310 |
| Number of New Rentals        | 911     | 71.6%      | 531     | 16.6%     | 781     |

| Downtown 2-Bedroom           | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$5,472 | -1.2%      | \$5,538 | 4.4%      | \$5,239 |
| Rental Price per Square Foot | \$52.91 | -4.0%      | \$55.10 | 7.7%      | \$49.11 |
| Median Rental Price          | \$4,940 | -3.0%      | \$5,092 | 2.9%      | \$4,800 |
| Number of New Rentals        | 466     | 63.5%      | 285     | 18.6%     | 393     |

| Downtown 3+ Bedroom          | JAN-13  | %Chg (mos) | DEC-12   | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|----------|-----------|---------|
| Average Rental Price         | \$8,800 | -16.5%     | \$10,541 | 2.3%      | \$8,603 |
| Rental Price per Square Foot | \$55.27 | 0.0%       | \$55.27  | 1.6%      | \$54.40 |
| Median Rental Price          | \$6,725 | -13.3%     | \$7,759  | 14.0%     | \$5,900 |
| Number of New Rentals        | 117     | 60.3%      | 73       | 72.1%     | 68      |

### EAST SIDE

- Rental price indicators showed consistent gains above prior year results**

Median rental price grew 4% from the same period last year to \$2,908. Average rental price increased 3.6% to \$3,680, while average price per square foot rose 4.6% to \$49.08 over the same period. 1-bedroom and 2-bedroom apartments showed year-over-year gains of 3.4% and 3.8%.

- Two-bedroom apartments showed largest jump in new rentals**

The number of new rentals increased by 29% from the prior year period to 1,308. The 2-bedroom market posted a 50% increase over the same period, demonstrating the most resistance to rising market prices.

- East Side had lowest vacancy rate of four regions**

Although the vacancy rate only increased from 1.1% in the prior year period to 1.31%, the region posted the lowest January vacancy rate in Manhattan.

| East Side Studio             | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$2,205 | -5.0%      | \$2,321 | -0.4%     | \$2,214 |
| Rental Price per Square Foot | \$51.40 | 1.4%       | \$50.71 | 2.3%      | \$50.24 |
| Median Rental Price          | \$2,050 | 1.6%       | \$2,018 | -2.3%     | \$2,099 |
| Number of New Rentals        | 369     | 75.7%      | 210     | 34.7%     | 274     |

| East Side 1-Bedroom          | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$3,109 | 6.0%       | \$2,932 | 2.9%      | \$3,022 |
| Rental Price per Square Foot | \$49.67 | 3.9%       | \$47.81 | 3.4%      | \$48.03 |
| Median Rental Price          | \$3,000 | 3.6%       | \$2,895 | 3.4%      | \$2,900 |
| Number of New Rentals        | 615     | 51.1%      | 407     | 20.8%     | 509     |

| East Side 2-Bedroom          | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$5,104 | -0.4%      | \$5,124 | 3.6%      | \$4,929 |
| Rental Price per Square Foot | \$50.15 | -4.1%      | \$52.29 | 6.1%      | \$47.27 |
| Median Rental Price          | \$4,695 | -0.1%      | \$4,700 | 3.8%      | \$4,525 |
| Number of New Rentals        | 261     | 24.9%      | 209     | 50.0%     | 174     |

| East Side 3+ Bedroom         | JAN-13   | %Chg (mos) | DEC-12   | %Chg (YR) | JAN-12   |
|------------------------------|----------|------------|----------|-----------|----------|
| Average Rental Price         | \$11,995 | -9.9%      | \$13,315 | 13.9%     | \$10,532 |
| Rental Price per Square Foot | \$57.52  | 0.6%       | \$57.19  | 6.0%      | \$54.25  |
| Median Rental Price          | \$7,399  | -13.9%     | \$8,595  | -7.5%     | \$7,995  |
| Number of New Rentals        | 63       | -3.1%      | 65       | 10.5%     | 57       |

Manhattan rental market by **SIZE****WEST SIDE**

- Rental price indicators slipped; only studios showed gains**

Declining from prior year levels for the second consecutive month, the year-over-year median rental price was \$3,171, down 2.3% from last year. Studio median rent rose 3% to \$2,310 over the same period, the only size category to show a gain.

- Since peaking in November, the rise in new rentals have fallen by half**

This month's 1,086 new rentals marked a 30.7% increase from prior year levels, half the rate of the recent 61.3% year-over-year monthly spike seen in November.

- The vacancy rate eased but remained at low levels**

The West Side vacancy rate edged upward to become the highest of all four regions, rising to 1.83% from 1.70% in the same period last year.

| West Side Studio             | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$2,355 | 3.9%       | \$2,266 | -4.9%     | \$2,476 |
| Rental Price per Square Foot | \$57.15 | 0.9%       | \$56.64 | -4.6%     | \$59.91 |
| Median Rental Price          | \$2,310 | 1.9%       | \$2,266 | 3.0%      | \$2,243 |
| Number of New Rentals        | 261     | 82.5%      | 143     | 35.2%     | 193     |

| West Side 1-Bedroom          | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$3,217 | -0.7%      | \$3,241 | -0.5%     | \$3,233 |
| Rental Price per Square Foot | \$53.43 | 1.9%       | \$52.45 | 0.1%      | \$53.36 |
| Median Rental Price          | \$3,184 | 0.2%       | \$3,178 | -0.3%     | \$3,195 |
| Number of New Rentals        | 514     | 78.5%      | 288     | 32.8%     | 387     |

| West Side 2-Bedroom          | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$5,133 | 3.1%       | \$4,977 | -3.6%     | \$5,327 |
| Rental Price per Square Foot | \$54.89 | 4.5%       | \$52.55 | 1.8%      | \$53.92 |
| Median Rental Price          | \$4,725 | 1.1%       | \$4,675 | -1.6%     | \$4,800 |
| Number of New Rentals        | 221     | 56.7%      | 141     | 15.7%     | 191     |

| West Side 3+ Bedroom         | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12   |
|------------------------------|---------|------------|---------|-----------|----------|
| Average Rental Price         | \$8,947 | -9.6%      | \$9,892 | -14.2%    | \$10,426 |
| Rental Price per Square Foot | \$57.15 | -3.3%      | \$59.07 | -5.7%     | \$60.58  |
| Median Rental Price          | \$6,945 | -9.6%      | \$7,682 | -15.4%    | \$8,207  |
| Number of New Rentals        | 90      | 95.7%      | 46      | 50.0%     | 60       |

**UPTOWN**

- Rental price indicators showed sharp year-over-year increases**

Median rental price jumped 14.2% from the same period last year to \$1,998. Average rental price increased 10.3% to \$2,208, while average rental price per square foot rose 8.8% to \$28.58 over the same period.

- New rental activity showed largest gains in larger apartments**

An indicator of resistance to the pace of rising rents, new rentals rose 38.9% from last year to 332, with larger gains seen in the 2 and 3-bedroom segments than in the studio and 1-bedroom segments.

- The vacancy rate fell to the second lowest rate of all four regions**

Reflecting tight market conditions, the vacancy rate fell from 2.04% last year to 1.51%, the second lowest regional vacancy rate after the East Side.

| Uptown Studio                | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$1,564 | -2.0%      | \$1,596 | 12.8%     | \$1,387 |
| Rental Price per Square Foot | \$39.77 | -7.2%      | \$42.87 | 9.3%      | \$36.39 |
| Median Rental Price          | \$1,395 | 2.7%       | \$1,358 | 16.7%     | \$1,195 |
| Number of New Rentals        | 39      | 95.0%      | 20      | 25.8%     | 31      |

| Uptown 1-Bedroom             | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$1,882 | 8.2%       | \$1,739 | 8.9%      | \$1,728 |
| Rental Price per Square Foot | \$31.38 | 4.4%       | \$30.05 | 17.8%     | \$26.64 |
| Median Rental Price          | \$1,714 | 8.8%       | \$1,575 | 12.4%     | \$1,525 |
| Number of New Rentals        | 122     | 71.8%      | 71      | 27.1%     | 96      |

| Uptown 2-Bedroom             | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$2,365 | 6.1%       | \$2,228 | 2.9%      | \$2,298 |
| Rental Price per Square Foot | \$27.57 | 4.7%       | \$26.33 | -0.3%     | \$27.65 |
| Median Rental Price          | \$2,200 | 5.3%       | \$2,090 | 10.3%     | \$1,995 |
| Number of New Rentals        | 115     | 69.1%      | 68      | 42.0%     | 81      |

| Uptown 3+ Bedroom            | JAN-13  | %Chg (mos) | DEC-12  | %Chg (YR) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$3,046 | -12.9%     | \$3,498 | 13.2%     | \$2,691 |
| Rental Price per Square Foot | \$23.30 | -8.2%      | \$25.39 | 2.9%      | \$22.65 |
| Median Rental Price          | \$2,532 | -22.4%     | \$3,262 | 3.3%      | \$2,450 |
| Number of New Rentals        | 56      | 86.7%      | 30      | 80.6%     | 31      |

## Brooklyn rental market by **SIZE**

### BROOKLYN

- Rental price indicators were mixed, remaining at high levels**

Median rental price was \$2,527 in January, showing no material change from the same month last year. Over the same period, average rental price increased 4.6% to \$2,958 and average rental price per square foot rose 4.6% to \$35.36.

- Studio market slipped as renters were drawn to the purchase market**

The median studio rental price fell 5.5% from the prior year period to \$1,795 as record low mortgage rates enhanced affordability and lured potential tenants into the purchase market. Studios showed the highest increase in new activity, suggesting lower renewal rates as a sign of resistance to higher rents. All other size categories showed gains in median rental prices over the same period.

- Days on market and listing discount were consistent with the 5-year average**

Listing discount edged upward from 5.3% in the same month last year to equal the 5.9% five-year average. Marketing time was 3 days faster over the same period, as days on market fell to 53 days, also equal to the metric's 5-year average.

- Luxury rentals showed highest year-over-year rental price gains**

The median rental price for a luxury rental was \$5,158, up 7.9% from the same period last year. Both average rental price and average rental price per square foot rose 12.2% over the same period.

| Brooklyn Rental Market                      | JAN-13  | %Chg (mos) | DEC-12  | %Chg (yr) | JAN-12  |
|---|---------|------------|---------|-----------|---------|
| Average Rental Price                        | \$2,958 | 2.7%       | \$2,880 | 4.6%      | \$2,827 |
| Rental Price per Square Foot                | \$35.36 | -1.8%      | \$36.01 | 4.6%      | \$33.79 |
| Median Rental Price                         | \$2,527 | -4.2%      | \$2,637 | -0.1%     | \$2,530 |
| Number of New Rentals                       | 331     | 41.5%      | 234     | 32.9%     | 249     |
| Days on Market (From Original List Date)    | 53      | 17.8%      | 45      | -5.4%     | 56      |
| Listing Discount (From Original List Price) | 5.9%    |            | 6.6%    |           | 5.3%    |

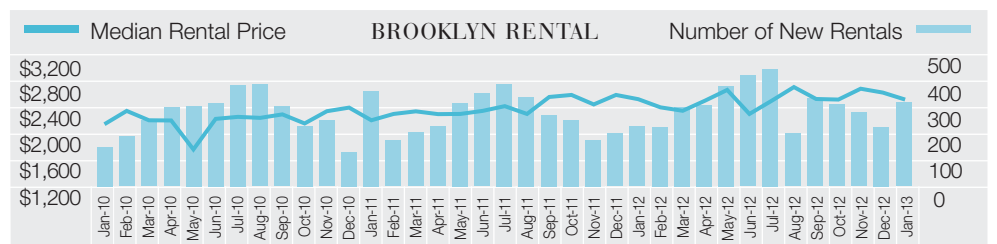
(Face Rent)

| Brooklyn Studio Rental Matrix | JAN-13  | %Chg (mos) | DEC-12  | %Chg (yr) | JAN-12  |
|-------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price          | \$2,155 | 18.1%      | \$1,825 | -9.0%     | \$2,369 |
| Rental Price per Square Foot  | \$44.30 | -0.6%      | \$44.55 | 23.6%     | \$35.83 |
| Median Rental Price           | \$1,795 | 1.4%       | \$1,771 | -5.5%     | \$1,900 |
| Number of New Rentals         | 45      | 32.4%      | 34      | 95.7%     | 23      |

| Brooklyn 1-Bedroom Rental Matrix | JAN-13  | %Chg (mos) | DEC-12  | %Chg (yr) | JAN-12  |
|----------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price             | \$2,448 | -1.5%      | \$2,486 | 4.9%      | \$2,334 |
| Rental Price per Square Foot     | \$38.29 | 1.2%       | \$37.82 | 8.9%      | \$35.16 |
| Median Rental Price              | \$2,346 | -2.3%      | \$2,401 | 6.6%      | \$2,200 |
| Number of New Rentals            | 133     | 60.2%      | 83      | 35.7%     | 98      |

| Brooklyn 2-Bedroom Rental Matrix | JAN-13  | %Chg (mos) | DEC-12  | %Chg (yr) | JAN-12  |
|----------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price             | \$3,218 | -3.2%      | \$3,325 | 3.4%      | \$3,112 |
| Rental Price per Square Foot     | \$34.34 | 0.2%       | \$34.28 | 3.6%      | \$33.14 |
| Median Rental Price              | \$3,068 | -1.0%      | \$3,100 | 2.4%      | \$2,995 |
| Number of New Rentals            | 119     | 25.3%      | 95      | 12.3%     | 106     |

| 3+-Bedroom Rental Matrix     | JAN-13  | %Chg (mos) | DEC-12  | %Chg (yr) | JAN-12  |
|------------------------------|---------|------------|---------|-----------|---------|
| Average Rental Price         | \$5,109 | 25.6%      | \$4,069 | 23.7%     | \$4,130 |
| Rental Price per Square Foot | \$36.33 | -10.3%     | \$40.50 | 14.6%     | \$31.70 |
| Median Rental Price          | \$4,196 | 9.9%       | \$3,819 | 4.8%      | \$4,002 |
| Number of New Rentals        | 34      | 54.5%      | 22      | 54.5%     | 22      |



Note: The Brooklyn rental market analysis is comprised of transactions in the north and northwest regions of the borough.

For more information or electronic copies of this report please visit [elliman.com/marketreports](http://elliman.com/marketreports). Email report author Jonathan Miller at [jmiller@millersamuel.com](mailto:jmiller@millersamuel.com) with questions or comments.

**Report Methodology:**

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