



# ELLIMAN REPORT

## MANHATTAN

- Rate of median rental price gains began to press higher again** After four consecutive months at an average of 1.6% year-over-year price gains, median rent rose 4.7% from year ago levels to \$3,190. Average rental price also expanded at a similar pace, rising 4.9% from prior year levels to \$3,956. The number of new rentals declined 8.8% from prior year levels, marking the first drop since July 2012, as more modest rental price growth at the end of 2012 forced landlords to be more consistent with pricing at time of lease renewal.
- The vacancy rate was unchanged from prior year levels; concessions edged nominally higher** After 7 months of year-over-year declines, the overall Manhattan vacancy rate was unchanged from the 1.69% year ago level. The Downtown and East Side regions experienced declines, while Uptown and the West Side showed gains from same period last year. While landlord concession use remained low at 5.5% market share, this marked their highest rate of usage since 7.4% in December 2011.
- Non-doorman rents posted gains, as doorman rents slid** Median rental price for doorman buildings slipped 1.7% from year ago levels to \$3,475; the same metric for non-doorman buildings increased 10.5% to \$2,685. While the median rent in the luxury market increased a nominal 0.6%, the super-luxury rental market outpaced overall rental price growth with an 11.6% rise from the same period last year.

Manhattan Rental Market	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$3,956	4.3%	\$3,794	4.9%	\$3,771
Rental Price per Square Foot	\$47.12	-7.1%	\$50.71	-5.7%	\$49.95
Median Rental Price	\$3,190	1.3%	\$3,150	4.7%	\$3,047
Number of New Rentals	3,097	-34.5%	4,729	-8.8%	3,394
Days on Market (From Original List Date)	58	-1.7%	59	13.7%	51
Listing Discount (From Original List Price)	4.6%		3.2%		3.0%
Listing Inventory	5,233	0.9%	5,186	2.1%	5,123

(Face Rent)

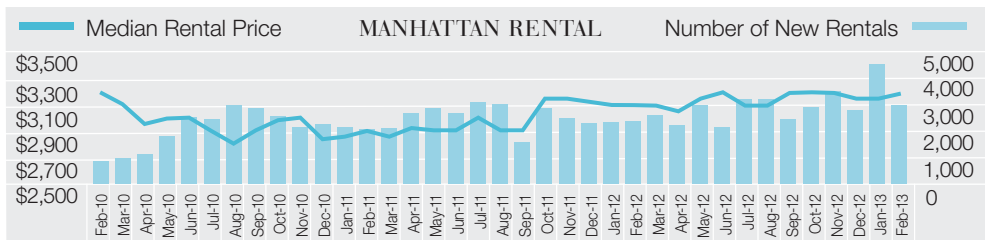
Manhattan Rental w/Concessions	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$3,938	4.2%	\$3,779	4.8%	\$3,756
Rental Price per Square Foot	\$46.90	-7.1%	\$50.50	-5.7%	\$49.75
Median Rental Price	\$3,175	1.2%	\$3,137	4.6%	\$3,035
Number of New Rentals w/Concessions (%)	5.5%		5.0%		4.7%
Free Rent/Owner Paid (Mos)	1.0	0.0%	1.0	0.0%	1.0

(Net Effective Rent)

Manhattan Vacancy Rate	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Manhattan	1.69%		1.54%		1.69%
Downtown	1.63%		1.54%		2.15%
East Side	1.48%		1.31%		1.64%
West Side	2.22%		1.83%		1.70%
Uptown	1.51%		1.51%		0.53%

Manhattan Median Rental Price By Property Type	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Doorman	\$3,475	-0.6%	\$3,495	-1.7%	\$3,536
Non-Doorman	\$2,685	3.3%	\$2,600	10.5%	\$2,430
Loft	\$5,767	20.8%	\$4,775	32.7%	\$4,345
Luxury [Top 10%]	\$8,171	7.6%	\$7,595	0.6%	\$8,123
Super-Luxury [Top 5%]	\$12,000	14.3%	\$10,500	11.6%	\$10,750
New Development	\$4,469	16.4%	\$3,838	-1.2%	\$4,525

(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 were mixed from prior year levels** Median rental price edged up 2.6% from prior year levels to \$3,380. Average sales price increased 5.3% as rental price per square foot fell sharply, due to a jump in large 2-bedroom units. Studios and 3-bedrooms posted higher median rental price results than in the prior year period.
- Overall new rental activity slipped; gains remained in large unit submarkets** The number of new rentals fell 6% from the same period last year to 1,364. Studio and 1-bedroom units also fell, reflecting landlords' less aggressive pricing at renewal. 2-bedroom and 3-bedroom units continued to show large year-over year gains.
- Downtown had the second lowest vacancy rate, which fell below year ago levels** The vacancy rate for Downtown fell by 0.5% from 2.15% in the year ago period to 1.63%.

Downtown Studio	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$2,638	-0.9%	\$2,663	1.3%	\$2,603
Rental Price per Square Foot	\$56.42	1.5%	\$55.57	6.6%	\$52.94
Median Rental Price	\$2,550	2.0%	\$2,500	2.2%	\$2,495
Number of New Rentals	354	-30.5%	509	-15.5%	419

Downtown 1-Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$3,553	-0.1%	\$3,558	1.6%	\$3,497
Rental Price per Square Foot	\$54.94	-1.4%	\$55.73	2.1%	\$53.82
Median Rental Price	\$3,350	-1.3%	\$3,395	0.0%	\$3,350
Number of New Rentals	576	-36.8%	911	-11.0%	647

Downtown 2-Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$5,401	-1.3%	\$5,472	-1.0%	\$5,454
Rental Price per Square Foot	\$33.85	-36.0%	\$52.91	-34.4%	\$51.59
Median Rental Price	\$4,838	-2.1%	\$4,940	-3.1%	\$4,995
Number of New Rentals	338	-27.5%	466	10.5%	306

Downtown 3+ Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$8,121	-7.7%	\$8,800	3.1%	\$7,878
Rental Price per Square Foot	\$51.38	-7.0%	\$55.27	-1.4%	\$52.09
Median Rental Price	\$5,950	-11.5%	\$6,725	8.2%	\$5,500
Number of New Rentals	96	-17.9%	117	21.5%	79

### EAST SIDE

- Rental price indicators continued to rise above prior year levels** Median rental price was \$2,900, up 3.8% from the same period last year. All market segments by size showed modest gains, except 2-bedrooms, which showed virtual stability.
- New rentals showed modest rise above prior year levels** The number of new rentals expanded 4.2% from the year ago period, suggesting less resistance to the more modest rental rates being set by landlords at time of renewal. Larger units such as 2- and 3-bedrooms showed the largest rise in the number of new rentals.
- East Side retained the lowest vacancy rate of all four regions** Once again, the East Side had the lowest vacancy rate of all four regions and, with Downtown, saw year-over-year declines. The vacancy rate was 1.48%, down from 1.64% in the prior year period.

East Side Studio	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$2,338	6.0%	\$2,205	9.1%	\$2,143
Rental Price per Square Foot	\$53.98	5.0%	\$51.40	13.0%	\$47.76
Median Rental Price	\$2,100	2.4%	\$2,050	7.7%	\$1,950
Number of New Rentals	236	-36.0%	369	4.9%	225

East Side 1-Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$3,076	-1.1%	\$3,109	3.5%	\$2,973
Rental Price per Square Foot	\$49.44	-0.5%	\$49.67	2.4%	\$48.26
Median Rental Price	\$2,950	-1.7%	\$3,000	3.5%	\$2,850
Number of New Rentals	447	-27.3%	615	0.7%	444

East Side 2-Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$5,223	2.3%	\$5,104	-0.1%	\$5,230
Rental Price per Square Foot	\$54.61	8.9%	\$50.15	4.7%	\$52.16
Median Rental Price	\$4,795	2.1%	\$4,695	-0.1%	\$4,800
Number of New Rentals	168	-35.6%	261	12.8%	149

East Side 3+ Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$10,790	-10.0%	\$11,995	-0.8%	\$10,873
Rental Price per Square Foot	\$62.77	9.1%	\$57.52	-2.4%	\$64.30
Median Rental Price	\$9,160	23.8%	\$7,399	5.1%	\$8,715
Number of New Rentals	61	-3.2%	63	7.0%	57

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

- Rental price indicator gains were more subdued than in prior months**

Overall, rental price indicators posted modest year-over-year gains. Median rent was up 0.4% from the same period a year ago to \$3,299, with 2-bedroom and 3-bedroom units posting larger increases in median rent than studios and 1-bedrooms. Additional rental price indicators showed somewhat higher gains compared to a year ago.

- Number of new rentals well below prior year levels**

The number of new rentals fell 21.5% from the same period last year to 637, as rental increases at the time of lease renewal were more in sync with the market. Based on the change in number of new rentals, there was less resistance to rising rents in the 2- and 3-bedroom markets than there was with smaller units.

- The vacancy rate trended higher**

The West Side vacancy rate remained the highest of the four regions, rising to 2.22% from 1.70% in the same period last year.

West Side Studio	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$2,338	-0.7%	\$2,355	0.4%	\$2,329
Rental Price per Square Foot	\$61.29	7.2%	\$57.15	1.1%	\$60.62
Median Rental Price	\$2,329	0.8%	\$2,310	-0.9%	\$2,350
Number of New Rentals	132	-49.4%	261	-11.4%	149

West Side 1-Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$3,420	6.3%	\$3,217	2.2%	\$3,346
Rental Price per Square Foot	\$55.60	4.1%	\$53.43	-0.8%	\$56.03
Median Rental Price	\$3,250	2.1%	\$3,184	1.6%	\$3,200
Number of New Rentals	319	-37.9%	514	-16.7%	383

West Side 2-Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$5,648	10.0%	\$5,133	8.8%	\$5,190
Rental Price per Square Foot	\$58.73	7.0%	\$54.89	6.2%	\$55.29
Median Rental Price	\$4,822	2.1%	\$4,725	2.8%	\$4,690
Number of New Rentals	142	-35.7%	221	-30.7%	205

West Side 3+ Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$13,232	47.9%	\$8,947	28.9%	\$10,264
Rental Price per Square Foot	\$78.67	37.7%	\$57.15	11.2%	\$70.75
Median Rental Price	\$10,731	54.5%	\$6,945	19.6%	\$8,973
Number of New Rentals	44	-51.1%	90	-40.5%	74

**UPTOWN**

- Rental price indicators were mixed, with more gains at the lower end**

Median rental price slipped 3.3% from the same period last year to \$1,683, while the other indicators rose over the same period. Studio and 1-bedroom median rents expanded, as 2-bedroom and 3-bedroom median rents declined.

- Number of new rentals showed declines across the board**

The number of new rentals, an indicator of resistance to lease renewals, declined 28.4% from the same period last year to 184. New rental activity fell across all unit sizes, as the purchase market tempered rental demand.

- The vacancy rate jumped from prior year levels**

Although the vacancy rate remained the second lowest of the four regions after the East Side, it was up sharply to 1.51% from 0.53% in the prior year period, which appeared to be an anomaly.

Uptown Studio	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$2,031	29.9%	\$1,564	44.6%	\$1,405
Rental Price per Square Foot	\$23.99	-39.7%	\$39.77	-32.1%	\$35.33
Median Rental Price	\$1,425	2.2%	\$1,395	11.9%	\$1,273
Number of New Rentals	28	-28.2%	39	-12.5%	32

Uptown 1-Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$1,835	-2.5%	\$1,882	14.8%	\$1,599
Rental Price per Square Foot	\$31.66	0.9%	\$31.38	20.9%	\$26.18
Median Rental Price	\$1,500	-12.5%	\$1,714	0.3%	\$1,495
Number of New Rentals	78	-36.1%	122	-32.2%	115

Uptown 2-Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$2,182	-7.7%	\$2,365	-3.4%	\$2,258
Rental Price per Square Foot	\$26.82	-2.7%	\$27.57	-1.5%	\$27.23
Median Rental Price	\$1,850	-15.9%	\$2,200	-13.1%	\$2,128
Number of New Rentals	55	-52.2%	115	-26.7%	75

Uptown 3+ Bedroom	FEB-13	%Chg (mos)	JAN-13	%Chg (YR)	FEB-12
Average Rental Price	\$3,399	11.6%	\$3,046	28.9%	\$2,636
Rental Price per Square Foot	\$21.25	-8.8%	\$23.30	-5.1%	\$22.39
Median Rental Price	\$2,500	-1.3%	\$2,532	-7.2%	\$2,695
Number of New Rentals	23	-58.9%	56	-34.3%	35

## Brooklyn rental market by **SIZE**

### BROOKLYN

• **All rental price indicators showed strong gains from prior year levels**

After last month's more modest gains, the rental market resumed robust price growth in February. Median rent increased 7.2% from the same month last year to \$2,590. The other price indicators showed larger gains over the same period.

• **Days on market contracted as listing discount shrunk to half its summer rate**

It took an average of 43 days from original listing date to rent an apartment, 5 days faster than in the same period last year. Listing discount edged up nominally from 6.1% in the prior year period to 6.4%, but was still just over half the 11.8% listing discount seen last July as the market continued to tighten.

• **Number of new rentals jumped, but more resistance to rent gains in larger units**

There were 17.6% more new rentals in February compared to the same period last year, reflecting renters' resistance to rising prices at the time of renewal. There was greater resistance in the 2-bedroom and 3-bedroom markets, with 21.5% and 38.5% year-over-year gains, respectively. The entry-level studio and 1-bedroom markets posted weaker results, with a respective 6.9% decline and 16.3% increase over the same period, as the purchase market continued to pull renters in.

• **Luxury rentals price gains continued to outpace overall market**

Consistent with the large gains in the number of new rentals at the upper end of the market, median rent jumped 31.6% from the same month last year to \$5,165.

Brooklyn Rental Market	FEB-13	%Chg (mos)	JAN-13	%Chg (yr)	FEB-12
Average Rental Price	\$3,096	4.7%	\$2,958	15.4%	\$2,684
Rental Price per Square Foot	\$37.00	4.6%	\$35.36	15.3%	\$32.08
Median Rental Price	\$2,590	2.5%	\$2,527	7.2%	\$2,417
Number of New Rentals	280	-15.4%	331	17.6%	238
Days on Market (From Original List Date)	43	-18.9%	53	-10.4%	48
Listing Discount (From Original List Price)	6.4%		5.9%		6.1%

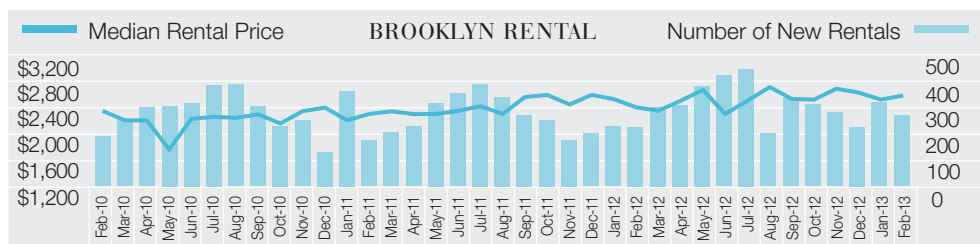
(Face Rent)

Brooklyn Studio Rental Matrix	FEB-13	%Chg (mos)	JAN-13	%Chg (yr)	FEB-12
Average Rental Price	\$2,418	12.2%	\$2,155	11.9%	\$2,161
Rental Price per Square Foot	\$41.53	-6.3%	\$44.30	82.0%	\$22.82
Median Rental Price	\$1,777	-1.0%	\$1,795	-1.3%	\$1,800
Number of New Rentals	27	-40.0%	45	-6.9%	29

Brooklyn 1-Bedroom Rental Matrix	FEB-13	%Chg (mos)	JAN-13	%Chg (yr)	FEB-12
Average Rental Price	\$2,357	-3.7%	\$2,448	1.2%	\$2,328
Rental Price per Square Foot	\$38.50	0.5%	\$38.29	5.5%	\$36.50
Median Rental Price	\$2,296	-2.1%	\$2,346	4.1%	\$2,205
Number of New Rentals	121	-9.0%	133	16.3%	104

Brooklyn 2-Bedroom Rental Matrix	FEB-13	%Chg (mos)	JAN-13	%Chg (yr)	FEB-12
Average Rental Price	\$3,373	4.8%	\$3,218	11.5%	\$3,026
Rental Price per Square Foot	\$34.30	-0.1%	\$34.34	-8.5%	\$37.49
Median Rental Price	\$3,189	3.9%	\$3,068	13.9%	\$2,800
Number of New Rentals	96	-19.3%	119	21.5%	79

3+-Bedroom Rental Matrix	FEB-13	%Chg (mos)	JAN-13	%Chg (yr)	FEB-12
Average Rental Price	\$5,348	4.7%	\$5,109	46.6%	\$3,648
Rental Price per Square Foot	\$34.36	-5.4%	\$36.33	21.0%	\$28.40
Median Rental Price	\$4,025	-4.1%	\$4,196	25.8%	\$3,200
Number of New Rentals	36	5.9%	34	38.5%	26



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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