



# ELLIMAN REPORT

## MANHATTAN

**Rental price indicators edged above prior year levels as landlord concessions remain limited** Manhattan median rental price moved 1.1% higher to \$3,042 from the same month last year. Average rental price also posted a modest gain, rising 1.7% to \$3,822 over the same period. Average rental price per square foot was unchanged at \$50.73. Only 3.1% of rental transactions during the month had some form of landlord concessions. When a concession was provided, it was the equivalent of 1-month free rent, up from 0.8 months free rent in the prior year period.

**Marketing time and listing discount stabilized as new rentals slipped** Days on market, the number of days from original listing date to lease signing remained essentially unchanged at 42 days from the same period last year. Listing discount, the percentage difference between the list price and contract rent slipped nominally to 3% from 3.3% over the same period. The number of new rentals fell 7.7% year-over-year to 4,605, the third consecutive monthly decline likely reflecting an uptick in the lease renewal activity.

**Despite year-over-year rise, overall vacancy rate remained low** The Manhattan vacancy rate was 1.94%, down from 2.23% in the same month last year. Despite the tightness of the Manhattan rental market, a modest seasonal rise in vacancy rate occurred in July at end of an active "spring" market.

Manhattan Rental Market	JUL-13	%Chg (mo)	JUN-13	%Chg (yr)	JUL-12
Average Rental Price	\$3,822	-1.2%	\$3,870	1.7%	\$3,759
Rental Price per Square Foot	\$50.73	-0.3%	\$50.86	0.0%	\$50.74
Median Rental Price	\$3,042	-4.8%	\$3,195	1.1%	\$3,008
Number of New Rentals	4,605	-2.9%	4,741	-7.7%	4,991
Days on Market (From Original List Date)	42	-22.2%	54	2.4%	41
Listing Discount (From Original List Price)	3.0%		3.3%		3.3%
Listing Inventory	5,952	1.7%	5,850	4.9%	5,674

(Face Rent)

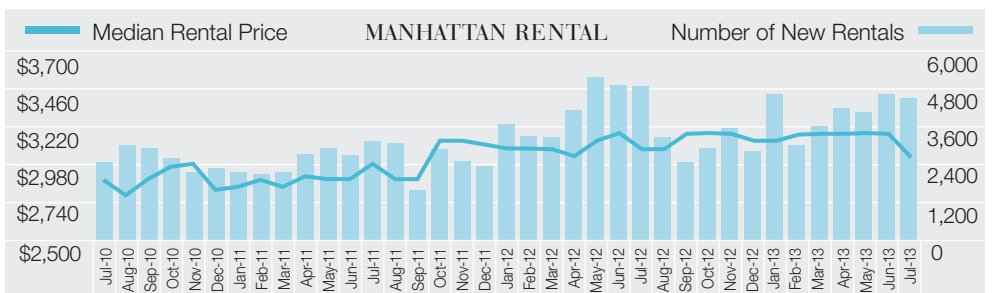
Manhattan Rental w/Concessions	JUL-13	%Chg (mo)	JUN-13	%Chg (yr)	JUL-12
Average Rental Price	\$3,812	-1.2%	\$3,859	1.5%	\$3,757
Rental Price per Square Foot	\$50.60	-0.2%	\$50.71	-0.2%	\$50.71
Median Rental Price	\$3,034	-4.8%	\$3,186	0.9%	\$3,006
Number of New Rentals w/Concessions (%)	3.1%		3.4%		0.9%
Free Rent/Owner Paid (Mos)	1.0	0.0%	1.0	25.0%	0.8

(Net Effective Rent)

Manhattan Vacancy Rate	JUL-13	JUN-13	JUL-12
Manhattan	1.94%	1.83%	2.23%
Downtown	1.32%	1.38%	2.27%
East Side	2.25%	1.97%	2.63%
West Side	2.35%	2.16%	1.96%
Uptown	2.66%	2.48%	1.86%

Manhattan Median Rental Price by Property Type	JUL-13	%Chg (mo)	JUN-13	%Chg (yr)	JUL-12
Dooman	\$3,595	0.0%	\$3,595	2.7%	\$3,500
Non-Dooman	\$2,612	-3.4%	\$2,705	2.4%	\$2,550
Loft	\$4,966	10.4%	\$4,498	10.4%	\$4,500
Luxury [Top 10%]	\$8,412	5.2%	\$7,995	11.7%	\$7,528
Super-Luxury [Top 5%]	\$11,500	2.7%	\$11,193	5.8%	\$10,867
New Development	\$5,070	23.5%	\$4,104	36.5%	\$3,713

(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 price indicators were**

**mixed** Median rental price edged 1.5% higher to \$3,350 from the same month last year. Average rental price showed a similar trend, rising 2% to \$4,057 over the same period. Average rental price per square foot slipped 0.8% to \$53.30 from the same month last year.

- Number of new rentals declined**

There were 2,013 new rentals in the month, 4.9% less than the same period last year. Studio and 1-bedroom rentals fell 10.4% and 9.4% respectively while 2-bedrooms and 3-bedrooms rose by 9.6% and 1.3% respectively over the same period. Larger apartments showed more resistance at time of renewal.

- Downtown vacancies continued**

**to fall** The vacancy rate fell to 1.32%, nearly a full percentage lower than 2.27% in the same period last year.

Downtown Studio	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$2,623	0.8%	\$2,602	-0.9%	\$2,647
Rental Price per Square Foot	\$55.56	1.1%	\$54.96	-2.4%	\$56.92
Median Rental Price	\$2,495	-0.9%	\$2,517	0.0%	\$2,495
Number of New Rentals	533	-5.2%	562	-10.4%	595

Downtown 1-Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$3,551	-1.9%	\$3,619	-2.6%	\$3,644
Rental Price per Square Foot	\$55.21	-2.1%	\$56.38	-4.3%	\$57.69
Median Rental Price	\$3,364	-1.2%	\$3,405	-1.0%	\$3,397
Number of New Rentals	832	-14.5%	973	-9.4%	918

Downtown 2-Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$5,247	3.2%	\$5,082	2.9%	\$5,100
Rental Price per Square Foot	\$50.43	-2.6%	\$51.80	0.4%	\$50.21
Median Rental Price	\$4,550	0.0%	\$4,550	1.9%	\$4,465
Number of New Rentals	491	1.4%	484	9.6%	448

Downtown 3+ Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$7,877	-6.1%	\$8,388	0.9%	\$7,805
Rental Price per Square Foot	\$46.39	-9.7%	\$51.38	-3.4%	\$48.01
Median Rental Price	\$5,250	-18.4%	\$6,436	-8.7%	\$5,750
Number of New Rentals	157	2.6%	153	1.3%	155

### EAST SIDE

- Rental price indicators showed**

**stability** Median rental price was unchanged at \$2,850 from the same period last year. Average rental price slipped 1.7% to \$3,880 and average rental price per square foot increased 4.2% to \$51.39 over the same period. Studios were the only category to post year-over-year gains in all price indicators.

- The number of new rentals continued to decline from prior year levels**

There were 1,207 new rentals in the region, 13.4% below the same period last year. All size categories also declined from prior year levels. Larger declines were observed in larger size categories.

- East Side rental vacancies fell**

The vacancy rate was 2.25%, down 0.38% from the same month last year.

East Side Studio	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$2,277	1.3%	\$2,247	3.3%	\$2,204
Rental Price per Square Foot	\$52.73	0.2%	\$52.61	10.1%	\$47.91
Median Rental Price	\$2,186	-0.5%	\$2,198	12.1%	\$1,950
Number of New Rentals	323	0.3%	322	-9.3%	356

East Side 1-Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$3,116	0.7%	\$3,095	3.0%	\$3,025
Rental Price per Square Foot	\$51.02	1.5%	\$50.28	7.5%	\$47.45
Median Rental Price	\$2,895	-4.3%	\$3,025	-0.2%	\$2,900
Number of New Rentals	556	-0.9%	561	-12.9%	638

East Side 2-Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$5,140	1.7%	\$5,055	-0.6%	\$5,169
Rental Price per Square Foot	\$51.68	0.2%	\$51.59	-0.1%	\$51.73
Median Rental Price	\$4,500	-6.2%	\$4,795	-2.1%	\$4,595
Number of New Rentals	237	-8.1%	258	-13.8%	275

East Side 3+ Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$10,952	12.5%	\$9,739	-0.4%	\$10,991
Rental Price per Square Foot	\$63.45	11.0%	\$57.18	2.2%	\$62.07
Median Rental Price	\$8,395	16.7%	\$7,195	19.5%	\$7,023
Number of New Rentals	91	-13.3%	105	-26.6%	124

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

- Rental price indicators were**

**mixed** Median rental price increased 3.1% to \$3,100 and average rental price rose 6.3% to \$3,907 respectively from the same month last year. Average price per square foot slipped 1.3% to \$53.19 over the same period. All size categories also showed mixed results.

- Overall number of new rentals**

**fell** The number of new rentals for the area as well as studio and 1-bedrooms fell from prior year levels by 16.4% and 23.6% respectively. This outweighed the impact of the 5.2% rise in the smaller 2-bedroom and 62.7% rise in 3-bedroom categories on the regional trend.

- Vacancy edged higher from**

**prior year results** The vacancy rate increased 0.39% to 2.35% from the same month last year, but remained at modest seasonal levels.

West Side Studio	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$2,250	-8.0%	\$2,445	-4.8%	\$2,364
Rental Price per Square Foot	\$57.07	-0.6%	\$57.44	-3.4%	\$59.10
Median Rental Price	\$2,217	-4.7%	\$2,327	0.8%	\$2,200
Number of New Rentals	224	0.0%	224	-16.4%	268

West Side 1-Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$3,122	-5.0%	\$3,285	0.4%	\$3,109
Rental Price per Square Foot	\$52.11	-8.9%	\$57.18	-1.4%	\$52.84
Median Rental Price	\$3,042	-6.4%	\$3,250	-1.7%	\$3,095
Number of New Rentals	389	-14.1%	453	-23.6%	509

West Side 2-Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$4,854	1.9%	\$4,762	-0.5%	\$4,877
Rental Price per Square Foot	\$54.06	3.8%	\$52.10	2.1%	\$52.96
Median Rental Price	\$4,473	-0.6%	\$4,500	-0.6%	\$4,500
Number of New Rentals	262	6.1%	247	5.2%	249

West Side 3+ Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$7,840	-23.7%	\$10,276	-10.5%	\$8,763
Rental Price per Square Foot	\$55.48	-11.1%	\$62.42	5.2%	\$52.74
Median Rental Price	\$6,178	-26.4%	\$8,395	-12.4%	\$7,050
Number of New Rentals	109	19.8%	91	62.7%	67

**UPTOWN**

- Median rental price for the overall region and by size showed gains**

Median rental price was \$2,000, 5.3% higher than the same period last year. Average rental price and rental price per square foot rose 6.1% and 1.4% respectively over the same period. All size categories posted year-over-year increases in median sales price.

- Number of new rentals edged higher than prior year level**

There were 401 new rentals in the month, 3.1% more than in the same period last year, but varied across the individual categories.

- Vacancy rate above prior year level**

The vacancy rate ticked up 0.8% to 2.66% from the same month last year. However, since the spring season pushed a month further into the summer, the July 2013 seasonal rise was being compared to the same period a prior year when vacancy had already begun to fall.

Uptown Studio	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$1,467	-0.5%	\$1,475	-2.8%	\$1,510
Rental Price per Square Foot	\$41.22	8.9%	\$37.85	5.3%	\$39.14
Median Rental Price	\$1,425	1.8%	\$1,400	1.4%	\$1,405
Number of New Rentals	47	27.0%	37	34.3%	35

Uptown 1-Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$1,837	3.4%	\$1,777	9.9%	\$1,672
Rental Price per Square Foot	\$29.97	-3.3%	\$30.98	2.9%	\$29.12
Median Rental Price	\$1,801	10.4%	\$1,632	16.1%	\$1,551
Number of New Rentals	141	18.5%	119	-0.7%	142

Uptown 2-Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$2,391	0.5%	\$2,378	2.7%	\$2,328
Rental Price per Square Foot	\$32.98	15.8%	\$28.48	9.0%	\$30.27
Median Rental Price	\$2,376	6.4%	\$2,234	5.6%	\$2,250
Number of New Rentals	133	35.7%	98	-7.6%	144

Uptown 3+ Bedroom	JUL-13	%Chg (mo)	JUN-13	%Chg (YR)	JUL-12
Average Rental Price	\$3,275	-6.3%	\$3,496	8.9%	\$3,006
Rental Price per Square Foot	\$28.04	18.3%	\$23.70	-3.8%	\$29.16
Median Rental Price	\$3,000	-8.1%	\$3,265	8.7%	\$2,760
Number of New Rentals	80	48.1%	54	17.6%	68

Brooklyn rental market by **SIZE**

**BROOKLYN**

• **All rental price indicators continued to show year-over-year gains**

Median rental price increased 5.1% to \$2,675 from the same period last year. Average rental price expanded 8.2% to \$3,035 and average price per square foot increased by 6.4% to \$37.66 from the prior year period.

• **Marketing time edged higher as listing discount compressed from prior year levels**

The number of days to market a rental property was 36 days, a modest 2-day increase from the same month last year, but 11 days faster than in the prior month. Listing discount fell sharply to 6% from 11.2% in the prior year quarter. Landlords remain in sync with market conditions when setting listing prices.

• **The number of new rentals edged higher as landlords continue to set list prices more consistently with actual market conditions**

New rentals expanded by a modest 3.7% from prior year levels after falling 3.1% in the prior month. The last two months show a more balanced market with little change in new activity inferring that lease renewal activity has stabilized.

• **The upper half of the market showed more overall price growth**

The blended average rental price of studio and 1-bedroom apartments increased by 6.7% from a prior year to \$2,401. The 2-bedroom and 3- and more bedroom blended average sales price expanded by 12% to \$3,800 over the same period.

Brooklyn Rental Market	JUL-13	%Chg (mo)	JUN-13	%Chg (yr)	JUL-12
Average Rental Price	\$3,035	-2.8%	\$3,122	8.2%	\$2,806
Rental Price per Square Foot	\$37.66	4.7%	\$35.97	6.4%	\$35.41
Median Rental Price	\$2,675	-2.3%	\$2,737	5.1%	\$2,546
Number of New Rentals	393	-4.6%	412	3.7%	379
Days on Market (From Original List Date)	36	-23.4%	47	5.9%	34
Listing Discount (From Original List Price)	6.0%		9.7%		11.2%

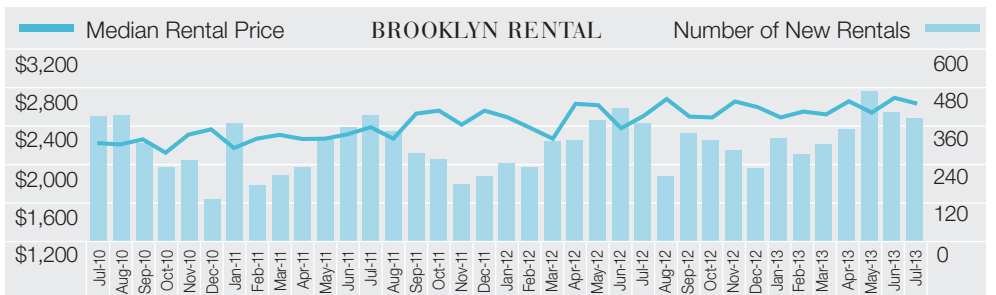
(Face Rent)

Brooklyn Studio Rental Matrix	JUL-13	%Chg (mo)	JUN-13	%Chg (yr)	JUL-12
Average Rental Price	\$2,136	-5.3%	\$2,256	16.3%	\$1,836
Rental Price per Square Foot	\$34.27	-15.3%	\$40.47	-0.5%	\$34.43
Median Rental Price	\$2,000	9.0%	\$1,835	11.1%	\$1,800
Number of New Rentals	60	36.4%	44	39.5%	43

Brooklyn 1-Bedroom Rental Matrix	JUL-13	%Chg (mo)	JUN-13	%Chg (yr)	JUL-12
Average Rental Price	\$2,504	1.9%	\$2,458	5.7%	\$2,368
Rental Price per Square Foot	\$40.44	5.3%	\$38.40	12.1%	\$36.06
Median Rental Price	\$2,446	2.0%	\$2,397	6.3%	\$2,300
Number of New Rentals	155	-3.1%	160	2.0%	152

Brooklyn 2-Bedroom Rental Matrix	JUL-13	%Chg (mo)	JUN-13	%Chg (yr)	JUL-12
Average Rental Price	\$3,553	6.6%	\$3,333	16.2%	\$3,058
Rental Price per Square Foot	\$38.14	5.7%	\$36.09	12.5%	\$33.91
Median Rental Price	\$3,400	13.3%	\$3,000	14.5%	\$2,970
Number of New Rentals	129	-7.2%	139	-9.2%	142

3+-Bedroom Rental Matrix	JUL-13	%Chg (mo)	JUN-13	%Chg (yr)	JUL-12
Average Rental Price	\$4,449	-7.1%	\$4,790	-1.7%	\$4,528
Rental Price per Square Foot	\$35.29	-1.5%	\$35.82	-2.9%	\$36.35
Median Rental Price	\$3,500	-16.5%	\$4,191	-9.3%	\$3,859
Number of New Rentals	49	-29.0%	69	16.7%	42



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:**

<http://www.millersamuel.com/research-reports/methodology>

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