



ELLIMAN REPORT

MANHATTAN

- Slide in median rental price continued into the new year for the 5th consecutive month** Median rental price slipped 1.1% to \$3,114 from the same period last year. Since last September, median rental price fell for the fifth consecutive month on a year-over-year basis, but the decline in rental prices remained minor. The use of concessions by landlords continued to expand, rising to a 13.1% market share from 5% in the same period last year.
- Larger units, including those in new development and luxury rentals, outpaced the overall market** The median rental price for new development units rose 16.6% to \$4,475 and 5.3% to \$8,000 for luxury units respectively from the same period last year. The median rental price for the 3-bedroom market remained essentially unchanged over the same period at \$6,125. Average rental price and average rental price per square foot in this submarket rose 1.9% and 5.2% over the same period.
- Vacancy rate pulled back from the prior month high** The overall vacancy rate was 1.81%, up from 1.54% in the prior year period, but fell from a near record high of 2.79% in the prior month. Days on market, the number of days from the original list date to the rental date, edged up 2 days to an average of 61 days. Listing discount, the percent difference between the original list price and the rental price also expanded modestly to 3.6% from 3.2% over the same period.

Manhattan Rental Market	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$3,800	-5.2%	\$4,009	0.2%	\$3,794
Rental Price per Square Foot	\$50.37	-3.8%	\$52.36	-0.7%	\$50.71
Median Rental Price	\$3,114	0.5%	\$3,100	-1.1%	\$3,150
Number of New Rentals	2,999	42.2%	2,109	-36.6%	4,729
Days on Market (From Original List Date)	61	13.0%	54	3.4%	59
Listing Discount (From Original List Price)	3.6%		5.1%		3.2%
Listing Inventory	5,080	-20.7%	6,409	-2.0%	5,186

(Face Rent)

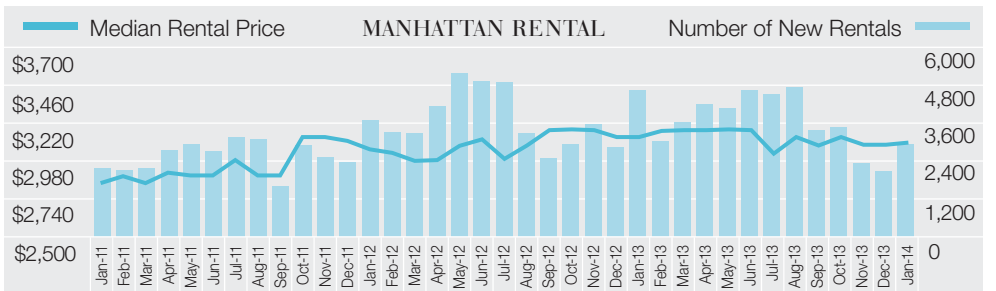
Manhattan Rental w/Concessions	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$3,757	-5.2%	\$3,964	-0.6%	\$3,779
Rental Price per Square Foot	\$49.80	-3.8%	\$51.78	-1.4%	\$50.50
Median Rental Price	\$3,079	0.5%	\$3,065	-1.8%	\$3,137
Number of New Rentals w/Concessions (%)	13.1%		12.8%		5.0%
Free Rent/Owner Paid (Mos)	1.0	0.0%	1.0	0.0%	1.0

(Net Effective Rent)

Manhattan Vacancy Rate	JAN-14	DEC-13	JAN-13
Manhattan	1.81%	2.79%	1.54%
Downtown	2.49%	3.25%	1.54%
East Side	1.10%	3.40%	1.31%
West Side	1.63%	2.87%	1.83%
Uptown	1.24%	0.35%	1.51%

Manhattan Median Rental Price by Property Type	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Doorman	\$3,581	-0.5%	\$3,600	2.5%	\$3,495
Non-Doorman	\$2,550	1.3%	\$2,518	-1.9%	\$2,600
Loft	\$4,950	-20.8%	\$6,250	3.7%	\$4,775
Luxury [Top 10%]	\$8,000	-12.0%	\$9,095	5.3%	\$7,595
Super-Luxury [Top 5%]	\$10,554	-16.8%	\$12,691	0.5%	\$10,500
New Development	\$4,475	8.0%	\$4,142	16.6%	\$3,838

(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

- Price indicators showed most consistent gains of all regions**

Median rental price increased 2.1% to \$3,470 from the same period last year. Average rental price edged 1.4% higher to \$4,141 and average rental price per square foot increased nominally to \$53.47 over the same period.

- The number of new rentals fell below prior year levels**

There were 1,278 rentals in the month of January, 36.2% fewer than the metric produced during the same month last year, as more tenants opted for renewals. All size categories showed very similar year-over-year declines in the number of new rentals.

- The Downtown vacancy rate jumped to highest of all regions**

The vacancy rate for the region was 2.49%, up from 1.54% last year and down sharply from 3.25% in the prior month.

Downtown Studio	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$2,706	0.5%	\$2,692	1.6%	\$2,663
Rental Price per Square Foot	\$57.81	4.4%	\$55.38	4.0%	\$55.57
Median Rental Price	\$2,595	0.0%	\$2,595	3.8%	\$2,500
Number of New Rentals	328	35.0%	243	-35.6%	509

Downtown 1-Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$3,590	0.3%	\$3,579	0.9%	\$3,558
Rental Price per Square Foot	\$53.87	-3.7%	\$55.96	-3.3%	\$55.73
Median Rental Price	\$3,422	-0.9%	\$3,452	0.8%	\$3,395
Number of New Rentals	569	29.3%	440	-37.5%	911

Downtown 2-Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$5,426	-8.3%	\$5,917	-0.8%	\$5,472
Rental Price per Square Foot	\$52.22	-8.0%	\$56.77	-1.3%	\$52.91
Median Rental Price	\$4,995	-3.8%	\$5,195	1.1%	\$4,940
Number of New Rentals	303	57.0%	193	-35.0%	466

Downtown 3+ Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$9,209	-14.2%	\$10,739	4.6%	\$8,800
Rental Price per Square Foot	\$52.32	-5.2%	\$55.17	-5.3%	\$55.27
Median Rental Price	\$6,428	-7.4%	\$6,942	-4.4%	\$6,725
Number of New Rentals	78	50.0%	52	-33.3%	117

EAST SIDE

- The number of new rentals fell from the same period last year**

There were 824 new rentals in January, 37% less than the same period last year, as tenants were less resistant to the offered rents at time of renewal.

- Price indicators were largely mixed**

Median rental price slipped a modest 0.7% to \$2,887 from last year as average rental price increased 3.4% to \$3,805. Studio and 3-bedroom median rental prices rose 1.2% and 21.6% respectively, while 1-bedrooms remained roughly the same and 2-bedrooms slipped 4.3% from the same period last year.

- The vacancy rate was the lowest of all regions after becoming the highest of all regions last month**

The vacancy rate was 1.1%, down from 1.31% in the same month last year and now has the lowest vacancy rate of all regions. In the prior month, the East Side had the highest vacancy rates, reflecting the volatility of this indicator.

East Side Studio	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$2,159	-6.0%	\$2,298	-2.1%	\$2,205
Rental Price per Square Foot	\$48.97	-5.4%	\$51.79	-4.7%	\$51.40
Median Rental Price	\$2,075	1.2%	\$2,050	1.2%	\$2,050
Number of New Rentals	215	52.5%	141	-41.7%	369

East Side 1-Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$3,064	4.9%	\$2,921	-1.4%	\$3,109
Rental Price per Square Foot	\$47.97	7.3%	\$44.71	-3.4%	\$49.67
Median Rental Price	\$2,995	11.0%	\$2,697	-0.2%	\$3,000
Number of New Rentals	377	27.8%	295	-38.7%	615

East Side 2-Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$4,940	-8.5%	\$5,396	-3.2%	\$5,104
Rental Price per Square Foot	\$44.35	-16.1%	\$52.85	-11.6%	\$50.15
Median Rental Price	\$4,495	-9.7%	\$4,976	-4.3%	\$4,695
Number of New Rentals	171	31.5%	130	-34.5%	261

East Side 3+ Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$11,006	0.4%	\$10,961	-8.2%	\$11,995
Rental Price per Square Foot	\$67.29	-4.9%	\$70.74	17.0%	\$57.52
Median Rental Price	\$9,000	2.3%	\$8,800	21.6%	\$7,399
Number of New Rentals	61	27.1%	48	-3.2%	63

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

- **The number of new rentals fell below prior year levels across region** The number of new rentals fell 38.6% to 667 from same month last year. All individual size categories posted similar double-digit declines over the same period.
- **Overall rental price indicators were generally up with gains seen in smaller units** The median rental price edged 1.7% higher to \$3,226 from the prior year period. Average rental price fell and average rental price per square foot increased over the same period. Studio and 1-bedroom rentals increased 3.3% and 2.1% respectively over the same period. The 2-bedroom median rental price remained essentially unchanged and 3-bedroom rentals fell 20.8% over the same period.
- **Vacancy rate slipped from prior year** The vacancy rate for the West Side fell to 1.63% from 1.83% in the same month last year.

West Side Studio	JAN-14	%Chg (mo)	DEC-13	%Chg (YR)	JAN-13
Average Rental Price	\$2,362	-0.3%	\$2,370	0.3%	\$2,355
Rental Price per Square Foot	\$62.24	3.5%	\$60.13	8.9%	\$57.15
Median Rental Price	\$2,387	1.6%	\$2,350	3.3%	\$2,310
Number of New Rentals	162	63.6%	99	-37.9%	261

West Side 1-Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (YR)	JAN-13
Average Rental Price	\$3,272	0.4%	\$3,260	1.7%	\$3,217
Rental Price per Square Foot	\$55.37	0.5%	\$55.11	3.6%	\$53.43
Median Rental Price	\$3,250	1.3%	\$3,209	2.1%	\$3,184
Number of New Rentals	310	49.0%	208	-39.7%	514

West Side 2-Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (YR)	JAN-13
Average Rental Price	\$5,132	-14.6%	\$6,010	0.0%	\$5,133
Rental Price per Square Foot	\$57.56	-8.1%	\$62.66	4.9%	\$54.89
Median Rental Price	\$4,712	-9.6%	\$5,213	-0.3%	\$4,725
Number of New Rentals	152	35.7%	112	-31.2%	221

West Side 3+ Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (YR)	JAN-13
Average Rental Price	\$7,831	-23.2%	\$10,198	-12.5%	\$8,947
Rental Price per Square Foot	\$54.21	-21.1%	\$68.70	-5.1%	\$57.15
Median Rental Price	\$5,500	-35.6%	\$8,542	-20.8%	\$6,945
Number of New Rentals	43	48.3%	29	-52.2%	90

Uptown Studio	JAN-14	%Chg (mo)	DEC-13	%Chg (YR)	JAN-13
Average Rental Price	\$1,400	0.1%	\$1,398	-10.5%	\$1,564
Rental Price per Square Foot	\$38.90	-1.2%	\$39.36	-2.2%	\$39.77
Median Rental Price	\$1,354	-2.9%	\$1,395	-2.9%	\$1,395
Number of New Rentals	32	28.0%	25	-17.9%	39

Uptown 1-Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (YR)	JAN-13
Average Rental Price	\$1,820	4.5%	\$1,741	-3.3%	\$1,882
Rental Price per Square Foot	\$34.49	17.8%	\$29.27	9.9%	\$31.38
Median Rental Price	\$1,750	1.9%	\$1,718	2.1%	\$1,714
Number of New Rentals	78	69.6%	46	-36.1%	122

Uptown 2-Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (YR)	JAN-13
Average Rental Price	\$2,223	-2.5%	\$2,280	-6.0%	\$2,365
Rental Price per Square Foot	\$27.46	-6.0%	\$29.20	-0.4%	\$27.57
Median Rental Price	\$2,150	-4.4%	\$2,249	-2.3%	\$2,200
Number of New Rentals	92	148.6%	37	-20.0%	115

Uptown 3+ Bedroom	JAN-14	%Chg (mo)	DEC-13	%Chg (YR)	JAN-13
Average Rental Price	\$3,041	10.4%	\$2,754	-0.2%	\$3,046
Rental Price per Square Foot	\$27.57	28.8%	\$21.41	18.3%	\$23.30
Median Rental Price	\$2,623	1.8%	\$2,577	3.6%	\$2,532
Number of New Rentals	28	154.5%	11	-50.0%	56

UPTOWN

- **The number of new rentals fell** Reflecting less resistance to rental prices set at lease renewal, the Uptown market saw a 30.7% decline to 230 new rentals from the same period last year. All individual size categories experienced double-digit year-over-year declines.
- **Price indicators were mixed across size categories** Median rental price for the region fell 4.9% to \$1,900. Average rental price declined 6.2%, while average rental price per square foot rose 6.8% respectively over the same period. Price indicators for 1-bedroom and 3-bedroom rentals were generally above prior year levels as studios and 2-bedroom rentals were weaker.
- **While the vacancy rate was down from last year, it rose from recent lows** The average vacancy rate fell to 1.24% from 1.51% in the same month last year.

Brooklyn rental market by **SIZE**

BROOKLYN

- **After 3 months of slowing price growth, rents increased in January**

The January median rental price jumped 12% to \$2,830 from the same month last year. Average rental price rose 3.5% and average rental price per square foot remained unchanged over the same period. Rising New York City employment and tight credit have played a primary role in the growth of Brooklyn rents. The introduction of newly developed luxury inventory has additionally helped shift overall rents higher.

- **Negotiability and the amount of time to market a property edged higher**

The listing discount between buyer and seller edged higher, rising to 6.5% from 5.9% in the prior year period. Days on market averaged 63 days, 10 days longer than the same period last year.

- **Listing inventory and new rental activity rose sharply**

Listing inventory expanded 58.6% to 1,204 as the number of new rentals jumped 33.5% to 442 respectively from the prior year period. The rise in new rental activity reflected greater tenant resistance to higher rents at the time of lease renewal.

- **Entry-level apartments jumped in price as larger apartments fell**

The median rental price of studio and 1-bedroom rentals increased 32.6% and 14.7% respectively over the prior year period. Larger 2-bedroom and 3-bedroom rentals slipped 1.5% and 5.3% respectively over the same period.

Brooklyn Rental Market	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$3,063	-3.7%	\$3,181	3.5%	\$2,958
Rental Price per Square Foot	\$35.34	-2.7%	\$36.31	-0.1%	\$35.36
Median Rental Price	\$2,830	6.4%	\$2,660	12.0%	\$2,527
Number of New Rentals	442	111.5%	209	33.5%	331
Days on Market (From Original List Date)	63	23.5%	51	18.9%	53
Listing Discount (From Original List Price)	6.5%		7.9%		5.9%

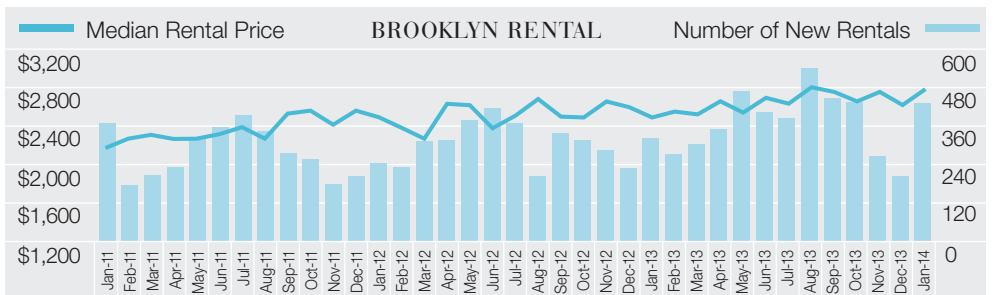
(Face Rent)

Brooklyn Studio Rental Matrix	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$2,278	-3.5%	\$2,361	5.7%	\$2,155
Rental Price per Square Foot	\$37.73	-19.6%	\$46.94	-14.8%	\$44.30
Median Rental Price	\$2,380	19.1%	\$1,999	32.6%	\$1,795
Number of New Rentals	47	62.1%	29	4.4%	45

Brooklyn 1-Bedroom Rental Matrix	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$2,731	9.2%	\$2,501	11.6%	\$2,448
Rental Price per Square Foot	\$39.46	6.7%	\$36.97	3.1%	\$38.29
Median Rental Price	\$2,692	12.4%	\$2,395	14.7%	\$2,346
Number of New Rentals	190	146.8%	77	42.9%	133

Brooklyn 2-Bedroom Rental Matrix	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$3,251	-5.6%	\$3,443	1.0%	\$3,218
Rental Price per Square Foot	\$33.56	-6.1%	\$35.75	-2.3%	\$34.34
Median Rental Price	\$3,021	-3.9%	\$3,143	-1.5%	\$3,068
Number of New Rentals	151	98.7%	76	26.9%	119

3+-Bedroom Rental Matrix	JAN-14	%Chg (mo)	DEC-13	%Chg (yr)	JAN-13
Average Rental Price	\$4,390	-16.5%	\$5,260	-14.1%	\$5,109
Rental Price per Square Foot	\$39.42	13.5%	\$34.73	8.5%	\$36.33
Median Rental Price	\$3,975	5.3%	\$3,775	-5.3%	\$4,196
Number of New Rentals	54	100.0%	27	58.8%	34



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

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Report Methodology:

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

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