

# ELLI MAN REPORT

# APRIL 2015

## MANHATTAN, BROOKLYN & QUEENS RENTALS

Monthly Survey of Manhattan,  
Brooklyn and Queens Rentals

### MANHATTAN RENTALS DASHBOARD

year-over-year

#### PRICES

Median Rental Price

3.5%

#### VACANCY

Vacancy Rate

0.33%

#### NEW RENTALS

Excludes Renewals

21.5%

#### CONCESSIONS

Market Share

4.6%

#### MARKETING TIME

Days on Market

1 day

#### NEGOTIABILITY

Listing Discount

1.7%

- Fourteen months of consecutive year-over-year median rent increases
- Despite rising rents, the vacancy rate continued to expand
- Use of landlord concessions and negotiability fell

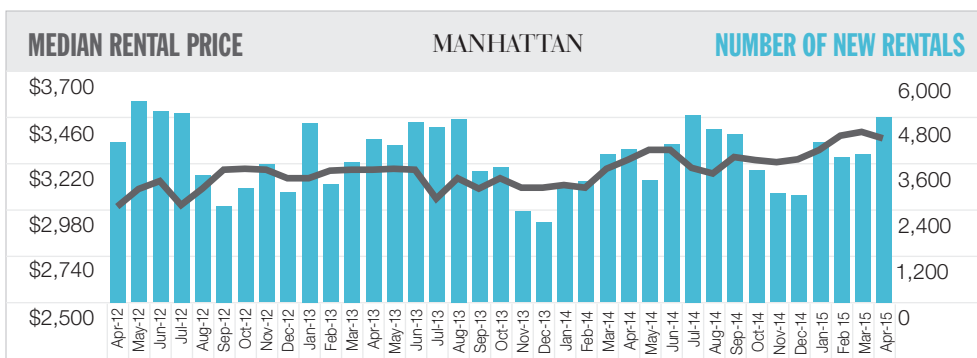
The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and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

| Manhattan Rental Market                     |                        | APR-15  | %Chg (mo) | MAR-15  | %Chg(yr) | APR-14  |
|---|------------------------|---------|-----------|---------|----------|---------|
| Average Rental Price                        |                        | \$4,054 | -1.7%     | \$4,126 | 1.1%     | \$4,008 |
| Rental Price per Sq Ft                      |                        | \$57.00 | 2.9%      | \$55.41 | 8.2%     | \$52.66 |
| Median Rental Price                         |                        | \$3,361 | -1.0%     | \$3,395 | 3.5%     | \$3,247 |
| Number of New Rentals                       |                        | 4,885   | 25.3%     | 3,899   | 21.5%    | 4,021   |
| Days on Market (From Original List Date)    |                        | 46      | -11.5%    | 52      | -2.1%    | 47      |
| Listing Discount (From Original List Price) |                        | 1.0%    |           | 0.8%    |          | 2.7%    |
| Listing Inventory                           |                        | 5,485   | 7.2%      | 5,117   | -0.3%    | 5,503   |
| Vacancy Rate                                |                        | 1.78%   |           | 1.99%   |          | 1.45%   |
| Manhattan Rental w/Concessions              |                        | APR-15  | %Chg (mo) | MAR-15  | %Chg(yr) | APR-14  |
| Median Rental Price                         |                        | \$3,355 | -0.8%     | \$3,382 | 3.9%     | \$3,229 |
| Number of New Rentals w/Concessions (%)     |                        | 2.2%    |           | 4.6%    |          | 6.8%    |
| Free Rent/Owner Paid (Mos)                  |                        | 1.0     | 0.0%      | 1.0     | 0.0%     | 1.0     |
| Manhattan Rental Market by Size             |                        | APR-15  | %Chg (mo) | MAR-15  | %Chg(yr) | APR-14  |
| Studio -                                    | Average Rental Price   | \$2,702 | 0.4%      | \$2,691 | 3.0%     | \$2,624 |
|   | Rental Price per Sq Ft | \$60.05 | 0.4%      | \$59.83 | 8.0%     | \$55.60 |
|   | Median Rental Price    | \$2,563 | 0.2%      | \$2,559 | 2.5%     | \$2,500 |
|   | Number of New Rentals  | 1,154   | 22.0%     | 946     | 16.3%    | 992     |
| 1-Bedroom -                                 | Average Rental Price   | \$3,467 | -1.9%     | \$3,534 | 1.4%     | \$3,420 |
|   | Rental Price per Sq Ft | \$56.38 | 0.5%      | \$56.10 | 3.8%     | \$54.32 |
|   | Median Rental Price    | \$3,362 | -1.9%     | \$3,427 | 2.0%     | \$3,295 |
|   | Number of New Rentals  | 2,215   | 29.2%     | 1,715   | 25.5%    | 1,765   |
| 2-Bedroom -                                 | Average Rental Price   | \$5,000 | -4.7%     | \$5,248 | 2.1%     | \$4,898 |
|   | Rental Price per Sq Ft | \$53.59 | -2.3%     | \$54.86 | 5.1%     | \$50.99 |
|   | Median Rental Price    | \$4,472 | -2.7%     | \$4,595 | 1.5%     | \$4,408 |
|   | Number of New Rentals  | 1,102   | 22.3%     | 901     | 18.5%    | 930     |
| 3+ Bedroom -                                | Average Rental Price   | \$8,440 | 3.3%      | \$8,170 | -3.5%    | \$8,747 |
|   | Rental Price per Sq Ft | \$57.25 | 5.7%      | \$54.14 | 0.5%     | \$56.97 |
|   | Median Rental Price    | \$5,998 | 0.1%      | \$5,995 | 3.5%     | \$5,795 |
|   | Number of New Rentals  | 414     | 22.8%     | 337     | 24.0%    | 334     |

For the fourteenth consecutive month, median Manhattan rental price moved higher than the same period last year. Price gains were observed in all size categories with the largest increases found in the entry and mid tier segments of the market. Median rental price increased 3.5% to \$3,361 as compared to April 2014. Upward price pressure continues

to be driven by tight credit conditions and an improving New York City economy. If interest rates edge slightly higher over the coming year, there may be additional pressure on rental prices. Average rent price increased 1.1% to \$4,054 from the prior year period and for the first time, remained above the \$4,000 per month threshold for three consecutive months.

Despite the modest expansion of the vacancy rate, days on market, listing discount, inventory and landlord concessions all fell from prior year levels. These indicators remained consistent with the increased rental prices across the market, although the largest gains continue to be seen in the entry tier. The median rental price for the first thirty percent of the market rose 3.3% year-over-year, the largest gain of any price segment.



## PROPERTY TYPE

- Loft and new development rents posted sharp gains
- Doorman rents rose faster than non-doorman rents

| Manhattan Rental Market By Property Type | APR-15  | %Chg (mo) | MAR-15  | %Chg (yr) | APR-14  |
|--|---------|-----------|---------|-----------|---------|
| Doorman Median Rental Price              | \$3,800 | -0.2%     | \$3,808 | 4.8%      | \$3,625 |
| Non-Doorman Median Rental Price          | \$2,768 | -0.4%     | \$2,780 | 1.1%      | \$2,738 |
| Loft Median Rental Price                 | \$5,932 | -26.1%    | \$8,023 | 14.7%     | \$5,171 |
| New Development Median Rental Price      | \$4,522 | 4.4%      | \$4,333 | 5.8%      | \$4,275 |

## BY PRICE

- Lower priced market rents grew faster than higher end rents
- Luxury rents moved higher, the third increase in four months of 2015

| Manhattan Rental Market By Price                  | APR-15   | %Chg (mo) | MAR-15   | %Chg (yr) | APR-14   |
|---|----------|-----------|----------|-----------|----------|
| Luxury (Top 10%) - Average Rental Price           | \$10,298 | -4.3%     | \$10,766 | 1.2%      | \$10,178 |
| Luxury (Top 10%) - Rental Price per Sq Ft         | \$80.23  | 2.0%      | \$78.65  | 7.3%      | \$74.80  |
| Luxury (Top 10%) - Median Rental Price            | \$8,248  | -3.3%     | \$8,530  | 3.1%      | \$8,000  |
| Luxury (Top 10%) - Number of New Rentals          | 492      | 26.5%     | 389      | 22.4%     | 402      |
| Luxury (Top 10%) - Entry Threshold                | \$6,427  | -1.3%     | \$6,510  | 7.1%      | \$6,000  |
| Upper Tier (30% below Luxury) - Med. Rental Price | \$4,444  | -1.6%     | \$4,516  | 1.0%      | \$4,400  |
| Mid Tier (2nd 30%) - Median Rental Price          | \$3,195  | -1.8%     | \$3,253  | 1.4%      | \$3,150  |
| Entry Tier (1st 30%) - Median Rental Price        | \$2,299  | -0.4%     | \$2,308  | 3.3%      | \$2,225  |

## BY LOCATION

### DOWNTOWN

- New rentals jumped
- Vacancy rate fell

| Downtown Market Matrix | APR-15  | %Chg (mo) | MAR-15  | %Chg (yr) | APR-14  |
|------------------------|---------|-----------|---------|-----------|---------|
| Median Rental Price    | \$3,609 | -0.1%     | \$3,613 | 3.3%      | \$3,495 |
| Number of New Rentals  | 2,171   | 26.7%     | 1,714   | 18.5%     | 1,832   |
| Vacancy Rate           | 1.63%   |           | 2.12%   |           | 1.84%   |

### EAST SIDE

- Median rent edged higher
- Number of new rentals increased

| East Side Market Matrix | APR-15  | %Chg (mo) | MAR-15  | %Chg (yr) | APR-14  |
|-------------------------|---------|-----------|---------|-----------|---------|
| Median Rental Price     | \$3,150 | -0.3%     | \$3,161 | 5.2%      | \$2,995 |
| Number of New Rentals   | 1,129   | 23.9%     | 911     | 4.2%      | 1,084   |
| Vacancy Rate            | 1.59%   |           | 1.42%   |           | 1.20%   |

### WEST SIDE

- Median rent showed stability
- Vacancy rate increased

| West Side Market Matrix | APR-15  | %Chg (mo) | MAR-15  | %Chg (yr) | APR-14  |
|-------------------------|---------|-----------|---------|-----------|---------|
| Median Rental Price     | \$3,425 | -0.7%     | \$3,450 | 0.6%      | \$3,405 |
| Number of New Rentals   | 1,195   | 29.8%     | 921     | 47.3%     | 811     |
| Vacancy Rate            | 1.50%   |           | 1.96%   |           | 1.37%   |

### UPTOWN

- New rentals surged
- Median rent rose sharply

| Uptown Market Matrix  | APR-15  | %Chg (mo) | MAR-15  | %Chg (yr) | APR-14  |
|-----------------------|---------|-----------|---------|-----------|---------|
| Median Rental Price   | \$2,250 | -6.3%     | \$2,400 | 12.5%     | \$2,000 |
| Number of New Rentals | 390     | 10.5%     | 353     | 32.7%     | 294     |
| Vacancy Rate          | 2.93%   |           | 2.57%   |           | 0.80%   |

# BROOKLYN RENTALS DASHBOARD

year-over-year

## PRICES

Median Rental Price

5.6%

## INVENTORY

Total Inventory

27.5%

## NEW RENTALS

Excludes Renewals

45.3%

## CONCESSIONS

Market Share

1%

## MARKETING TIME

Days on Market

3 days

## NEGOTIABILITY

Listing Discount

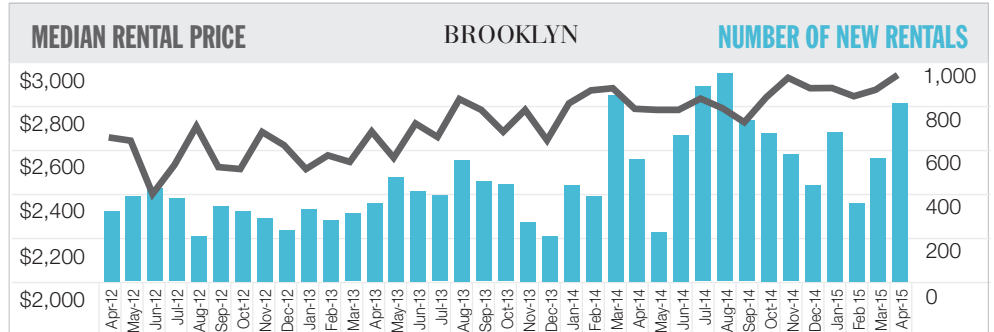
2.3%

- After a few months of weaker rents, prices increased
- Median rental price set new record
- Median Brooklyn rent was \$400 below median Manhattan rent

| Brooklyn Rental Market                      |                        | APR-15  | %Chg (MO) | MAR-15  | %Chg (YR) | APR-14  |
|---|------------------------|---------|-----------|---------|-----------|---------|
| Average Rental Price                        |                        | \$3,220 | -0.3%     | \$3,231 | 0.3%      | \$3,209 |
| Rental Price per Sq Ft                      |                        | \$41.65 | -0.3%     | \$41.78 | 3.3%      | \$40.30 |
| Median Rental Price                         |                        | \$2,961 | 2.4%      | \$2,893 | 5.6%      | \$2,805 |
| Number of New Rentals                       |                        | 815     | 44.5%     | 564     | 45.3%     | 561     |
| Days on Market (From Original List Date)    |                        | 51      | -8.9%     | 56      | 6.3%      | 48      |
| Listing Discount (From Original List Price) |                        | 1.3%    |           | 1.7%    |           | 3.6%    |
| Listing Inventory                           |                        | 1,038   | -44.0%    | 1,852   | -27.5%    | 1,431   |
| Brooklyn Rental w/Concessions               |                        | APR-15  | %Chg (MO) | MAR-15  | %Chg (YR) | APR-14  |
| Median Rental Price                         |                        | \$2,953 | 2.5%      | \$2,881 | 5.5%      | \$2,800 |
| Share of New Rentals w/Concessions (%)      |                        | 3.1%    |           | 4.8%    |           | 2.1%    |
| Free Rent/Owner Paid (Mos)                  |                        | 1.0     | -9.1%     | 1.1     | -9.1%     | 1.1     |
| Brooklyn Rental Market by Size              |                        | APR-15  | %Chg (MO) | MAR-15  | %Chg (YR) | APR-14  |
| Studio -                                    | Average Rental Price   | \$2,299 | 0.3%      | \$2,291 | -0.4%     | \$2,309 |
|   | Rental Price per Sq Ft | \$54.45 | 4.6%      | \$52.07 | 20.2%     | \$45.30 |
|   | Median Rental Price    | \$2,294 | -4.7%     | \$2,406 | 4.3%      | \$2,200 |
|   | Number of New Rentals  | 91      | 30.0%     | 70      | 7.1%      | 85      |
| 1-Bedroom -                                 | Average Rental Price   | \$2,792 | 1.2%      | \$2,759 | 0.5%      | \$2,778 |
|   | Rental Price per Sq Ft | \$43.93 | 1.4%      | \$43.33 | 8.4%      | \$40.54 |
|   | Median Rental Price    | \$2,809 | 6.0%      | \$2,650 | 5.8%      | \$2,654 |
|   | Number of New Rentals  | 324     | 37.9%     | 235     | 33.9%     | 242     |
| 2-Bedroom -                                 | Average Rental Price   | \$3,491 | -4.7%     | \$3,662 | -3.7%     | \$3,625 |
|   | Rental Price per Sq Ft | \$39.87 | -7.0%     | \$42.88 | 6.7%      | \$37.36 |
|   | Median Rental Price    | \$3,461 | 0.9%      | \$3,430 | 5.9%      | \$3,267 |
|   | Number of New Rentals  | 265     | 30.5%     | 203     | 47.2%     | 180     |
| 3+ Bedroom -                                | Average Rental Price   | \$4,339 | -10.1%    | \$4,825 | -16.1%    | \$5,170 |
|   | Rental Price per Sq Ft | \$35.62 | 0.5%      | \$35.45 | -22.9%    | \$46.17 |
|   | Median Rental Price    | \$3,856 | -10.1%    | \$4,287 | -5.0%     | \$4,057 |
|   | Number of New Rentals  | 135     | 141.1%    | 56      | 150.0%    | 54      |
| Brooklyn Rental Market by Type              |                        | APR-15  | %Chg (MO) | MAR-15  | %Chg (YR) | APR-14  |
| Luxury (Top 10%) - Median Rental Price      |                        | \$5,438 | -9.4%     | \$6,000 | -3.9%     | \$5,661 |
| Luxury (Top 10%) - Entry Threshold          |                        | \$4,598 | -5.2%     | \$4,851 | 1.5%      | \$4,532 |
| New Development - Median Rental Price       |                        | \$3,255 | 1.7%      | \$3,200 | 0.2%      | \$3,247 |

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

After slipping over the past two months, the median rent for Brooklyn increased 5.6% above the prior year level to a record \$2,961, the highest point tracked in this report series beginning in 2008. Average rental price edged up 0.3% to \$3,220 and average rental price per square foot rose 3.3% to \$41.65 respectively from the same period last year. Median rental price for studio, 1-bedroom and 2-bedroom apartments over the same period. Luxury and 3-bedroom median rental price fell short of prior year levels. Price growth continued to remain stronger in the entry and mid tier sections of the rental market. The use of landlord concessions remained nominal even as they expanded to 3.1% from 2.1% of all rental activity. Listing discount, the percentage



difference between the original list price and the rental price, tightened to 1.3% from 3.6% in the prior year. However, the average days on market, the number of days from the original list date to closing date, was 51 days, 3 days longer than during the same month last year.

## QUEENS RENTALS DASHBOARD

year-over-year

### PRICES

Median Rental Price

5%

### INVENTORY

Total Inventory

0.3%

### NEW RENTALS

Excludes Renewals

30.3%

### NEW DEVELOPMENT

Market Share

4.7%

### MARKETING TIME

Days on Market

3 days

### NEGOTIABILITY

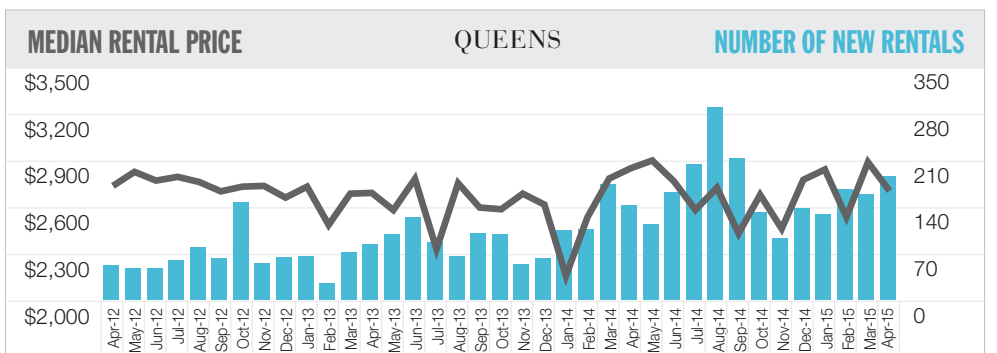
Listing Discount

1.2%

- Although overall rents moved lower, average rental size fell sharply
- Rents within each size category moved higher
- Luxury market fell short of prior year levels

| Queens Rental Market                        |                        | APR-15  | %Chg (MO) | MAR-15  | %Chg (YR) | APR-14  |
|---|------------------------|---------|-----------|---------|-----------|---------|
| Average Rental Price                        |                        | \$2,873 | -3.9%     | \$2,989 | -4.8%     | \$3,019 |
| Rental Price per Sq Ft                      |                        | \$42.95 | -7.8%     | \$46.57 | 10.2%     | \$38.96 |
| Median Rental Price                         |                        | \$2,768 | -6.2%     | \$2,952 | -5.0%     | \$2,913 |
| Number of New Rentals                       |                        | 185     | 17.1%     | 158     | 30.3%     | 142     |
| Days on Market (From Original List Date)    |                        | 36      | 12.5%     | 32      | 9.1%      | 33      |
| Listing Discount (From Original List Price) |                        | 1.3%    |           | -0.8%   |           | 0.1%    |
| Listing Inventory                           |                        | 334     | 8.1%      | 309     | -0.3%     | 335     |
| Queens Rental Market by Size                |                        | APR-15  | %Chg (MO) | MAR-15  | %Chg (YR) | APR-14  |
| Studio -                                    | Average Rental Price   | \$2,284 | 0.1%      | \$2,281 | 2.7%      | \$2,225 |
|   | Rental Price per Sq Ft | \$53.14 | -3.4%     | \$55.00 | 1.3%      | \$52.44 |
|   | Median Rental Price    | \$2,447 | -0.9%     | \$2,468 | 7.6%      | \$2,275 |
|   | Number of New Rentals  | 29      | 0.0%      | 29      | 3.6%      | 28      |
| 1-Bedroom -                                 | Average Rental Price   | \$2,695 | -4.1%     | \$2,809 | 4.7%      | \$2,573 |
|   | Rental Price per Sq Ft | \$44.41 | -7.2%     | \$47.84 | 14.9%     | \$38.65 |
|   | Median Rental Price    | \$2,850 | -3.6%     | \$2,957 | 3.8%      | \$2,745 |
|   | Number of New Rentals  | 109     | 28.2%     | 85      | 73.0%     | 63      |
| 2-Bedroom -                                 | Average Rental Price   | \$3,366 | -8.4%     | \$3,673 | -10.4%    | \$3,757 |
|   | Rental Price per Sq Ft | \$39.02 | -3.8%     | \$40.55 | 0.8%      | \$38.71 |
|   | Median Rental Price    | \$3,900 | 2.9%      | \$3,790 | 2.5%      | \$3,806 |
|   | Number of New Rentals  | 41      | 0.0%      | 41      | 13.9%     | 36      |
| 3+ Bedroom -                                | Average Rental Price   | \$5,581 | 0.3%      | \$5,566 | 21.2%     | \$4,604 |
|   | Rental Price per Sq Ft | \$46.20 | -9.8%     | \$51.20 | 20.9%     | \$38.22 |
|   | Median Rental Price    | \$5,618 | 2.1%      | \$5,500 | 18.6%     | \$4,735 |
|   | Number of New Rentals  | 6       | 100.0%    | 3       | -60.0%    | 15      |
| Queens Rental Market By Type                |                        | APR-15  | %Chg (MO) | MAR-15  | %Chg (YR) | APR-14  |
| Luxury (Top 10%) - Median Rental Price      |                        | \$4,499 | -7.9%     | \$4,886 | -10.7%    | \$5,040 |
| Luxury (Top 10%) - Entry Threshold          |                        | \$4,150 | -6.2%     | \$4,426 | -7.6%     | \$4,493 |
| New Development - Median Rental Price       |                        | \$3,100 | -7.0%     | \$3,166 | -7.5%     | \$3,350 |

Note: The Queens rental market analysis is comprised of transactions in the northwest region of the borough.



Despite the 5% decline in median rent for the overall Northwest Queens market, all size categories showed year-over-year increases. A 14.5% surge in market share of 1-bedroom rentals during the month skewed the overall price indicators lower. The year-over-year rise in median rental price for each category: studios jumped 7.6% to \$2,447, 1-bedrooms increased 3.8% to \$2,850, 2-bedrooms rose 2.5% to \$3,900, 3-bedrooms surged 18.6% to \$5,618. The market share for new development apartments expanded 4.7% to 42.7% of the

market. As a result of tenant resistance to the price at time of lease renewal and growth in the market share of new development, the number of new rentals expanded 45.3% to 815 units

from the same period last year. Queens median rental price was \$193 less than Brooklyn median rent and \$593 less than Manhattan median rent.

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**Report Methodology:**  
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