

ELLI MAN REPORT

APRIL 2016

MANHATTAN, BROOKLYN & QUEENS RENTALS

Monthly Survey of Manhattan,
Brooklyn and Queens Rentals

MANHATTAN RENTALS DASHBOARD

year-over-year

PRICES

Median Rental Price

↑
1.4%

VACANCY

Vacancy Rate

↑
0.57%

NEW LEASES

Excludes Renewals

↓
0.7%

OP+ CONCESSIONS

Market Share

↑
10.3%

MARKETING TIME

Days on Market

==
0 days

NEGOTIABILITY

Listing Discount

↑
1.7%

- Median rental edged higher after last month's first decline in 2 years
- Sharp rise in vacancy rate and landlord concessions
- Inventory jumped as number of new leases slipped

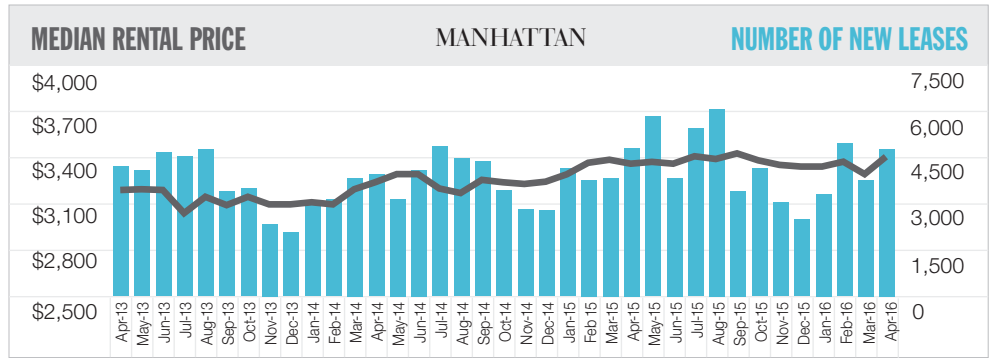
The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and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

| Manhattan Rental Market | | APR-16 | %Δ (mo) | MAR-16 | %Δ (yr) | APR-15 |
|---|------------------------|---------|---------|---------|---------|---------|
| Average Rental Price | | \$4,119 | 3.3% | \$3,989 | 1.5% | \$4,059 |
| Rental Price per Sq Ft | | \$66.93 | 2.8% | \$65.08 | 17.3% | \$57.07 |
| Median Rental Price | | \$3,415 | 3.5% | \$3,300 | 1.4% | \$3,369 |
| Number of New Leases | | 4,851 | 26.4% | 3,837 | -0.7% | 4,885 |
| Days on Market (From Original List Date) | | 46 | -4.2% | 48 | 0.0% | 46 |
| Listing Discount (From Original List Price) | | 2.9% | | 2.2% | | 1.2% |
| Listing Inventory | | 6,718 | 8.6% | 6,186 | 22.5% | 5,485 |
| Vacancy Rate | | 2.35% | | 2.42% | | 1.78% |
| Manhattan Rental w/Concessions | | APR-16 | %Δ (mo) | MAR-16 | %Δ (yr) | APR-15 |
| Median Rental Price | | \$3,371 | 3.5% | \$3,256 | 0.4% | \$3,356 |
| Share of New Leases w/OP + Concessions (%) | | 13.0% | | 13.6% | | 2.7% |
| Free Rent/Owner Paid (Mos) | | 1.2 | 0.0% | 1.2 | -33.3% | 1.8 |
| Manhattan Rental Market by Size | | APR-16 | %Δ (mo) | MAR-16 | %Δ (yr) | APR-15 |
| Studio - | Average Rental Price | \$2,598 | -1.3% | \$2,633 | -4.0% | \$2,705 |
| | Rental Price per Sq Ft | \$66.27 | 2.4% | \$64.74 | 10.2% | \$60.13 |
| | Median Rental Price | \$2,527 | -0.2% | \$2,533 | -1.5% | \$2,566 |
| | Number of New Leases | 1,122 | 18.2% | 949 | -2.8% | 1,154 |
| 1-Bedroom - | Average Rental Price | \$3,501 | 1.2% | \$3,458 | 0.8% | \$3,472 |
| | Rental Price per Sq Ft | \$63.13 | 4.1% | \$60.64 | 11.8% | \$56.45 |
| | Median Rental Price | \$3,412 | 0.7% | \$3,388 | 1.2% | \$3,370 |
| | Number of New Leases | 2,091 | 22.3% | 1,710 | -5.6% | 2,215 |
| 2-Bedroom - | Average Rental Price | \$5,131 | -0.5% | \$5,156 | 2.5% | \$5,007 |
| | Rental Price per Sq Ft | \$66.44 | 0.1% | \$66.37 | 23.8% | \$53.66 |
| | Median Rental Price | \$4,588 | -0.2% | \$4,598 | 2.5% | \$4,477 |
| | Number of New Leases | 1,160 | 30.8% | 887 | 5.3% | 1,102 |
| 3+ Bedroom - | Average Rental Price | \$7,938 | -0.5% | \$7,981 | -6.1% | \$8,450 |
| | Rental Price per Sq Ft | \$75.45 | 4.0% | \$72.58 | 31.6% | \$57.32 |
| | Median Rental Price | \$5,963 | 7.3% | \$5,558 | -0.6% | \$5,998 |
| | Number of New Leases | 478 | 64.3% | 291 | 15.5% | 414 |

After a two-year streak of year over year rent growth came to an end last month, median rental price edged higher in April, perhaps suggesting a more "choppy" market over the next year. Median rental price edged 1.4% higher to \$3,415 from the same period a year ago. Average rental price followed the same pattern, rising 1.5% to \$4,119 over the same

period. Price trends across all size categories showed inconsistency, with 1-bedroom and 2-bedroom median rental prices moving higher and studios and 3 or more bedrooms moving lower. The luxury market, representing the top ten percent of all rentals, surprisingly saw the most gains, as median sales price increased 2.9% to \$8,536 from the same month last year.

The use of concessions, including free rent or brokerage commissions paid by landlords, rose to 13% from 2.7% as inventory jumped 22.5% to 6,718 respectively over the same period. Listing discount, the percentage difference between the original list price and the rental price, rose to 2.9% from 1.2% a year ago. Days on market, the number of days from the original list date to the lease date, was 46 days, unchanged from the same period a year ago.



PROPERTY TYPE

- Both “non-doorman” and “doorman” rents moved up at same rate
- New development median rent declined

| Manhattan Rental Market By Property Type | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
|--|---------|---------|---------|---------|---------|
| Doorman Median Rental Price | \$3,877 | 3.4% | \$3,748 | 2.0% | \$3,800 |
| Non-Doorman Median Rental Price | \$2,831 | 2.8% | \$2,754 | 2.0% | \$2,775 |
| Loft Median Rental Price | \$5,889 | 15.1% | \$5,115 | 18.8% | \$4,955 |
| New Development Median Rental Price | \$4,416 | 1.5% | \$4,350 | -2.5% | \$4,530 |

BY PRICE

- All major categories by price edged higher
- In reversal, luxury median rent gains beat all categories
- Entry tier showed nominal rise

| Manhattan Rental Market By Price | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
|---|----------|---------|----------|---------|----------|
| Luxury (Top 10%) - Average Rental Price | \$10,484 | 3.1% | \$10,170 | 1.6% | \$10,319 |
| Luxury (Top 10%) - Rental Price per Sq Ft | \$82.10 | 5.2% | \$78.03 | 2.2% | \$80.33 |
| Luxury (Top 10%) - Median Rental Price | \$8,536 | 3.7% | \$8,228 | 2.9% | \$8,295 |
| Luxury (Top 10%) - Number of New Leases | 486 | 26.2% | 385 | -1.0% | 491 |
| Luxury (Top 10%) - Entry Threshold | \$6,512 | 5.0% | \$6,200 | 1.1% | \$6,442 |
| Upper Tier (30% below Luxury) - Med. Rental Price | \$4,515 | 2.6% | \$4,400 | 1.3% | \$4,455 |
| Mid Tier (2nd 30%) - Median Rental Price | \$3,239 | 2.9% | \$3,148 | 1.4% | \$3,195 |
| Entry Tier (1st 30%) - Median Rental Price | \$2,306 | 2.1% | \$2,258 | 0.3% | \$2,299 |

BY LOCATION

DOWNTOWN

- Median rent moved higher
- Sharp rise in vacancy rate

| Downtown Market Matrix | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
|------------------------|---------|---------|---------|---------|---------|
| Median Rental Price | \$3,725 | 2.5% | \$3,635 | 3.0% | \$3,617 |
| Number of New Leases | 2,188 | 35.8% | 1,611 | 0.8% | 2,171 |
| Vacancy Rate | 2.24% | | 2.49% | | 1.63% |

EAST SIDE

- Increase in median rent
- Surge in vacancy rate

| East Side Market Matrix | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
|-------------------------|---------|---------|---------|---------|---------|
| Median Rental Price | \$3,288 | 4.6% | \$3,143 | 4.4% | \$3,150 |
| Number of New Leases | 1,215 | 21.3% | 1,002 | 7.6% | 1,129 |
| Vacancy Rate | 2.30% | | 2.30% | | 1.59% |

WEST SIDE

- Median rent was unchanged
- Large decline in new leases

| West Side Market Matrix | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
|-------------------------|---------|---------|---------|---------|---------|
| Median Rental Price | \$3,430 | 4.0% | \$3,297 | 0.0% | \$3,429 |
| Number of New Leases | 1,013 | 17.2% | 864 | -15.2% | 1,195 |
| Vacancy Rate | 2.02% | | 2.55% | | 1.50% |

UPTOWN

- Nominal rise in median rent
- Jump in new leases

| Uptown Market Matrix | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
|----------------------|---------|---------|---------|---------|---------|
| Median Rental Price | \$2,254 | -0.9% | \$2,275 | 0.2% | \$2,250 |
| Number of New Leases | 435 | 20.8% | 360 | 11.5% | 390 |
| Vacancy Rate | 3.19% | | 2.22% | | 2.93% |

BROOKLYN RENTALS DASHBOARD

year-over-year

PRICES

Median Rental Price

0.9%

INVENTORY

Total Inventory

16.1%

NEW LEASES

Excludes Renewals

2.8%

OP + CONCESSIONS

Market Share

2.9%

MARKETING TIME

Days on Market

0 days

NEGOTIABILITY

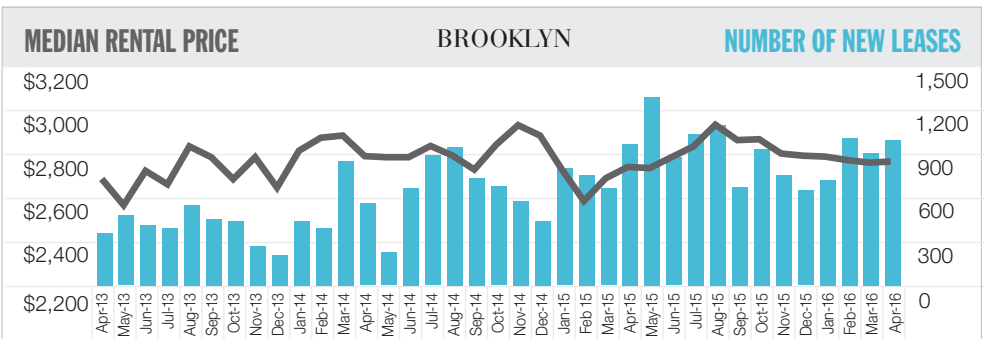
Listing Discount

0.7%

- While overall rents move higher, gains skewed to smaller apartments
- Marketing time remained unchanged as inventory expanded
- Brooklyn median rent \$635 less than Manhattan median rent

| Brooklyn Rental Market | | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
|---|------------------------|---------|---------|---------|---------|---------|
| Average Rental Price | | \$3,054 | -0.4% | \$3,065 | 1.5% | \$3,009 |
| Rental Price per Sq Ft | | \$46.32 | 6.9% | \$43.31 | 18.2% | \$39.19 |
| Median Rental Price | | \$2,780 | 0.2% | \$2,775 | 0.9% | \$2,755 |
| Number of New Leases | | 996 | 9.8% | 907 | 2.8% | 969 |
| Days on Market (From Original List Date) | | 49 | 0.0% | 49 | 0.0% | 49 |
| Listing Discount (From Original List Price) | | 0.8% | | 1.1% | | 1.5% |
| Listing Inventory | | 1,915 | 1.8% | 1,882 | 16.1% | 1,650 |
| Brooklyn Rental w/Concessions | | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
| Median Rental Price | | \$2,757 | 0.2% | \$2,752 | 0.6% | \$2,740 |
| Share of New Leases w/OP + Concessions (%) | | 6.5% | | 6.6% | | 3.6% |
| Free Rent/Owner Paid (Mos) | | 1.6 | 6.7% | 1.5 | -11.1% | 1.8 |
| Brooklyn Rental Market by Size | | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
| Studio - | Average Rental Price | \$2,230 | -2.0% | \$2,275 | 6.4% | \$2,095 |
| | Rental Price per Sq Ft | \$56.32 | 4.9% | \$53.68 | 14.3% | \$49.28 |
| | Median Rental Price | \$2,309 | 1.1% | \$2,284 | 6.7% | \$2,165 |
| | Number of New Leases | 141 | 28.2% | 110 | 20.5% | 117 |
| 1-Bedroom - | Average Rental Price | \$2,766 | 3.7% | \$2,668 | 5.7% | \$2,617 |
| | Rental Price per Sq Ft | \$49.04 | 6.6% | \$46.02 | 18.1% | \$41.52 |
| | Median Rental Price | \$2,746 | 5.0% | \$2,614 | 7.3% | \$2,558 |
| | Number of New Leases | 411 | 16.8% | 352 | 6.8% | 385 |
| 2-Bedroom - | Average Rental Price | \$3,341 | -2.1% | \$3,411 | 2.0% | \$3,277 |
| | Rental Price per Sq Ft | \$43.29 | 1.8% | \$42.52 | 15.8% | \$37.39 |
| | Median Rental Price | \$3,178 | -0.7% | \$3,200 | 0.9% | \$3,149 |
| | Number of New Leases | 319 | -1.8% | 325 | 1.3% | 315 |
| 3+ Bedroom - | Average Rental Price | \$4,194 | 4.5% | \$4,014 | 1.1% | \$4,149 |
| | Rental Price per Sq Ft | \$42.09 | 9.5% | \$38.45 | 21.4% | \$34.67 |
| | Median Rental Price | \$3,426 | -4.2% | \$3,575 | -4.6% | \$3,592 |
| | Number of New Leases | 125 | 4.2% | 120 | -17.8% | 152 |
| Brooklyn Rental Market by Type | | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
| Luxury (Top 10%) - Median Rental Price | | \$5,345 | 2.3% | \$5,227 | 3.0% | \$5,191 |
| Luxury (Top 10%) - Entry Threshold | | \$4,414 | -2.5% | \$4,527 | -1.9% | \$4,500 |
| New Development - Median Rental Price | | \$3,286 | -1.7% | \$3,343 | -0.9% | \$3,315 |

For the fourth consecutive month, Brooklyn median rental price increased on a year over year basis. The April median rent was \$2,780, up 0.9% from the same period last year. Average rental price followed the same pattern, rising 1.5% to \$3,054. There were more rental price gains seen in smaller apartments. Despite the weakening price trend with larger apartments, the luxury market posted a 3% rise to \$5,345 from the same period last year. New development rental median rent slipped 0.9% to \$3,286 over the same period. Overall inventory expanded 16.1% to 1,915 as the use of concessions by landlords nearly doubled to a market share of 6.5% respectively from the same month a year ago. Days on market, the average number



of days from the original list date to the rental date, remained stable at 49 days. Aside from rising rents in smaller apartments, the remaining indicators showed mixed results, reflecting a market that looks to be moving sideways over the next several months.

NORTHWEST QUEENS RENTALS DASHBOARD

year-over-year

PRICES

Median Rental Price

0.4%

INVENTORY

Total Inventory

46.1%

NEW LEASES

Excludes Renewals

7.6%

NEW DEVELOPMENT

Market Share

3.9%

MARKETING TIME

Days on Market

5 days

NEGOTIABILITY

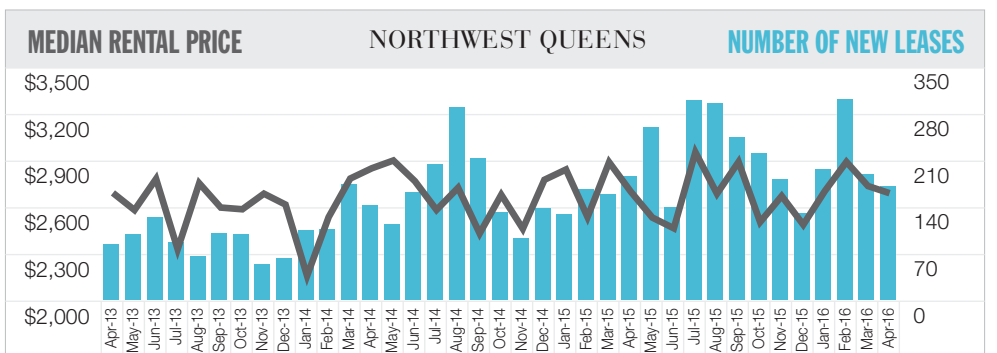
Listing Discount

0.3%

- Overall borough rental price indicators were mixed
- Days on market inventory declined
- Queens median rent was \$27 below Brooklyn median rent

| Northwest Queens Rental Market | | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
|---|------------------------|---------|---------|---------|---------|---------|
| Average Rental Price | | \$2,824 | -3.5% | \$2,927 | -1.6% | \$2,870 |
| Rental Price per Sq Ft | | \$46.12 | -2.4% | \$47.23 | 7.5% | \$42.91 |
| Median Rental Price | | \$2,753 | -1.6% | \$2,799 | -0.4% | \$2,764 |
| Number of New Leases | | 171 | -9.0% | 188 | -7.6% | 185 |
| Days on Market (From Original List Date) | | 31 | -26.2% | 42 | -13.9% | 36 |
| Listing Discount (From Original List Price) | | 1.7% | | 2.2% | | 1.4% |
| Listing Inventory | | 488 | 11.2% | 439 | 46.1% | 334 |
| Northwest Queens Rental Market by Size | | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
| Studio - | Average Rental Price | \$2,232 | -6.5% | \$2,388 | -2.2% | \$2,282 |
| | Rental Price per Sq Ft | \$51.17 | -13.1% | \$58.88 | -3.7% | \$53.11 |
| | Median Rental Price | \$2,409 | -0.2% | \$2,415 | -1.4% | \$2,443 |
| | Number of New Leases | 31 | 14.8% | 27 | 6.9% | 29 |
| 1-Bedroom - | Average Rental Price | \$2,596 | -1.8% | \$2,643 | -3.6% | \$2,693 |
| | Rental Price per Sq Ft | \$46.88 | 2.9% | \$45.55 | 5.7% | \$44.37 |
| | Median Rental Price | \$2,556 | -6.2% | \$2,725 | -10.3% | \$2,848 |
| | Number of New Leases | 73 | -27.0% | 100 | -33.0% | 109 |
| 2-Bedroom - | Average Rental Price | \$3,215 | -8.7% | \$3,520 | -4.4% | \$3,363 |
| | Rental Price per Sq Ft | \$43.69 | -7.9% | \$47.43 | 12.1% | \$38.98 |
| | Median Rental Price | \$2,814 | -21.8% | \$3,600 | -27.8% | \$3,900 |
| | Number of New Leases | 58 | 13.7% | 51 | 41.5% | 41 |
| 3+ Bedroom - | Average Rental Price | \$4,196 | -0.1% | \$4,202 | -24.7% | \$5,573 |
| | Rental Price per Sq Ft | \$44.81 | -1.4% | \$45.44 | -2.9% | \$46.14 |
| | Median Rental Price | \$3,687 | -8.3% | \$4,019 | -34.3% | \$5,614 |
| | Number of New Leases | 9 | -10.0% | 10 | 50.0% | 6 |
| Northwest Queens Rental Market By Type | | APR-16 | %Δ (MO) | MAR-16 | %Δ (YR) | APR-15 |
| Luxury (Top 10%) - Median Rental Price | | \$3,933 | -9.7% | \$4,357 | -6.3% | \$4,198 |
| Luxury (Top 10%) - Entry Threshold | | \$3,350 | -6.9% | \$3,600 | -14.1% | \$3,900 |
| New Development - Median Rental Price | | \$2,950 | -7.0% | \$3,017 | -4.2% | \$3,080 |

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



Rental market price trends in northwest Queens continued to show weak results as median rental price slipped for the fourth month of the past five months on a year over year basis. Median rental price slipped a nominal 0.4% to \$2,735 from the same period a year ago. Year over year declines in median rent were seen across all size categories, with the largest declines skewed to the upper end of the market. Luxury median rental price fell 6.3% to \$3,687 over the same period. New development rental market share accounted

for 19.9% of activity as median rental price fell the same period a year ago. Listing discount edged higher to 1.7% from 1.4% as listing the number of days from the original list date to inventory jumped 46.1% to 488 respectively from the same period a year ago.

For more information or electronic copies of this report please visit elliman.com/marketreports. Email report author Jonathan Miller at jmiller@millersamuel.com with questions or comments.

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

RENTAL DIVISION 212.891.7711 • elliman.com
 DOUGLAS ELLIMAN REAL ESTATE 575 Madison Avenue, New York, NY 10022 • 212.891.7000
 MILLER SAMUEL REAL ESTATE APPRAISERS 21 West 38th Street, New York, NY 10018 • 212.768.8100 • millersamuel.com

© 2016 DOUGLAS ELLIMAN REAL ESTATE. ALL MATERIAL PRESENTED HEREIN IS INTENDED FOR INFORMATION PURPOSES ONLY. WHILE THIS INFORMATION IS BELIEVED TO BE CORRECT, IT IS REPRESENTED SUBJECT TO ERRORS, OMISSIONS, CHANGES OR WITHDRAWAL WITHOUT NOTICE. ALL PROPERTY INFORMATION, INCLUDING, BUT NOT LIMITED TO SQUARE FOOTAGE, ROOM COUNT, NUMBER OF BEDROOMS AND THE SCHOOL DISTRICT IN PROPERTY LISTINGS ARE DEEMED RELIABLE, BUT SHOULD BE VERIFIED BY YOUR OWN ATTORNEY, ARCHITECT OR ZONING EXPERT. IF YOUR PROPERTY IS CURRENTLY LISTED WITH ANOTHER REAL ESTATE BROKER, PLEASE DISREGARD THIS OFFER. IT IS NOT OUR INTENTION TO SOLICIT THE OFFERINGS OF OTHER REAL ESTATE BROKERS. WE COOPERATE WITH THEM FULLY. ♻️ EQUAL HOUSING OPPORTUNITY.