

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

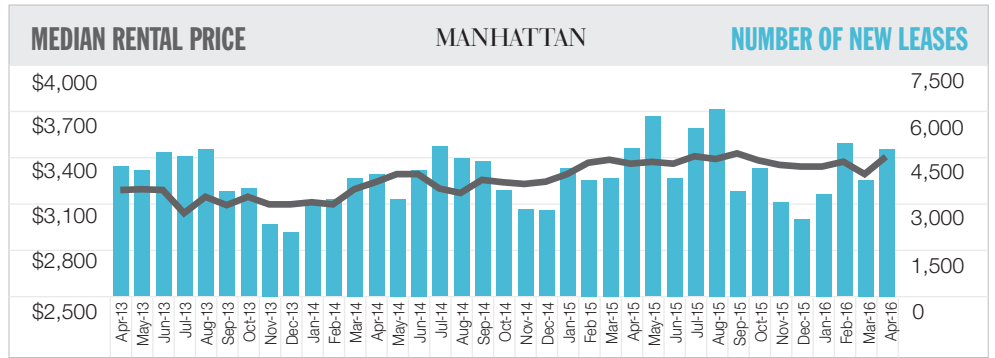
The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and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

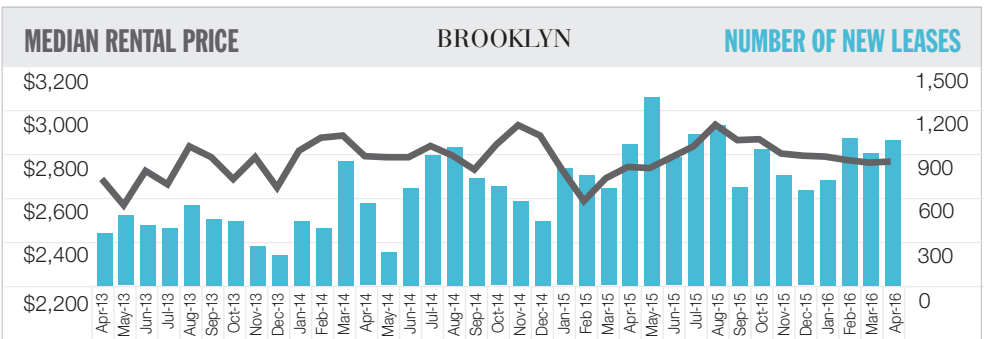
Brooklyn Rental Market by Size	APR-16	%Δ (MO)	MAR-16	%Δ (YR)	APR-15
Studio - Average Rental Price	\$2,230	-2.0%	\$2,275	6.4%	\$2,095
Rental Price per Sq Ft	\$56.32	4.9%	\$53.68	14.3%	\$49.28
Median Rental Price	\$2,309	1.1%	\$2,284	6.7%	\$2,165
Number of New Leases	141	28.2%	110	20.5%	117

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

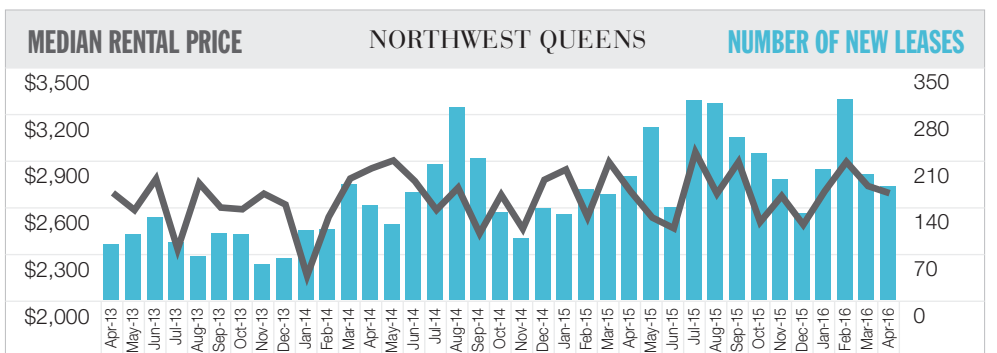
Listing Discount

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.

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

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