

MNS

REAL IMPACT REAL ESTATE

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INTRODUCTION

MNS is proud to present our third annual Year End Report for Brooklyn, the summation of a year's worth of data collected from our monthly Brooklyn Rental Market Reports. We hope you find these pages useful in determining the rental trends of Brooklyn's major neighborhoods, as well as the overall climate of the Brooklyn rental market during the course of 2013.

The Brooklyn rental market continued to show great returns in 2013 as rents throughout the borough hit all-time highs. Prices for Studios, One-Bedrooms and Two-Bedrooms each experienced significant upturns in price compared to 2012. Overall rents jumped 5.6% since the previous year from \$2,426 to \$2,562. Newly constructed rental buildings in 2013, equipped with an array of amenities, have changed the landscape of various rental sub-markets throughout the borough and contributed to a general upward price trend. These new listings will continue to cater to the demands of newly changing renter demographics throughout Brooklyn.

Upward price movements throughout 2013 were led by growing demand for Two-Bedroom units. By volume, this unit showed the largest price increase since the previous year as average rents increased 6.5% to \$3,265 in 2013, up from \$3,065 in 2012. Two-Bedrooms in the following neighborhoods experienced substantial price inflations since 2012 (see pages 7-10): Bushwick, Cobble Hill, Greenpoint, Fort Greene and Boerum Hill. It is worthy to note that over 30% of households in each of these neighborhoods have children. As rents for this unit continue to soar in Manhattan and condo inventory becomes limited, it can be expected that demand Two-Bedrooms in these areas will continue to be strong. Rents for each unit type climbed to the highest levels of 2013 in October. During this month average prices for Studios rose to \$2,082, One-Bedrooms to \$2,574 and Two-Bedrooms to \$3,439.

A large quantity of new rental units is in the pipeline for Brooklyn. The majority of these projects will be concentrated on the waterfront of Williamsburg and in Downtown Brooklyn. Also, construction will continue in Downtown Brooklyn at Avalon Willoughby West, a new 57-story, 860 unit rental project, that is expected to be completed in 2015. Upon completion this building will be the tallest in the borough. As new projects continue to rise throughout Brooklyn in 2014, it can be expected that price points in various sub-markets will reach levels comparable to the traditionally higher-priced Manhattan rental market.

NOTABLE TRENDS

Growth Rate Year over year rents leveled slightly in 2013 compared to 2012, but fundamental signs of growth remained strong throughout the year and can be expected to continue throughout 2014. The upward price effects of new development inventory concentrated in the Northwest markets of Brooklyn will likely spread to surrounding areas.

Studios Low availability of Studio across Brooklyn pushed prices for this unit to record high levels. Double-digit increases from the previous were seen in several neighborhoods in 2013. On average rents for this unit rose 7.7% since 2012, the largest relative increase of any unit type throughout the borough.

Bushwick The most impressive growth in Brooklyn throughout 2013 was seen in Bushwick. Prices for each unit type increased dramatically since 2012: Studios (+17.1%), One-Bedrooms (+12.2%) and Two-Bedrooms (+4.63%). As renters find this neighborhood more desirable and developers seek to bring new product to the market, it can be expected that rents will reach all-time highs in the coming year.

Brooklyn Rents: 2012 vs. 2013

Type	2012	2013	Change
Studios	\$1,812	\$1,952	↑ 7.7%
One-Bedrooms	\$2,400	\$2,468	↑ 2.8%
Two-Bedrooms	\$3,065	\$3,265	↑ 6.5%

MEAN RENTAL PRICES

2013 Mean Brooklyn Rental Prices

Studio

\$1,952

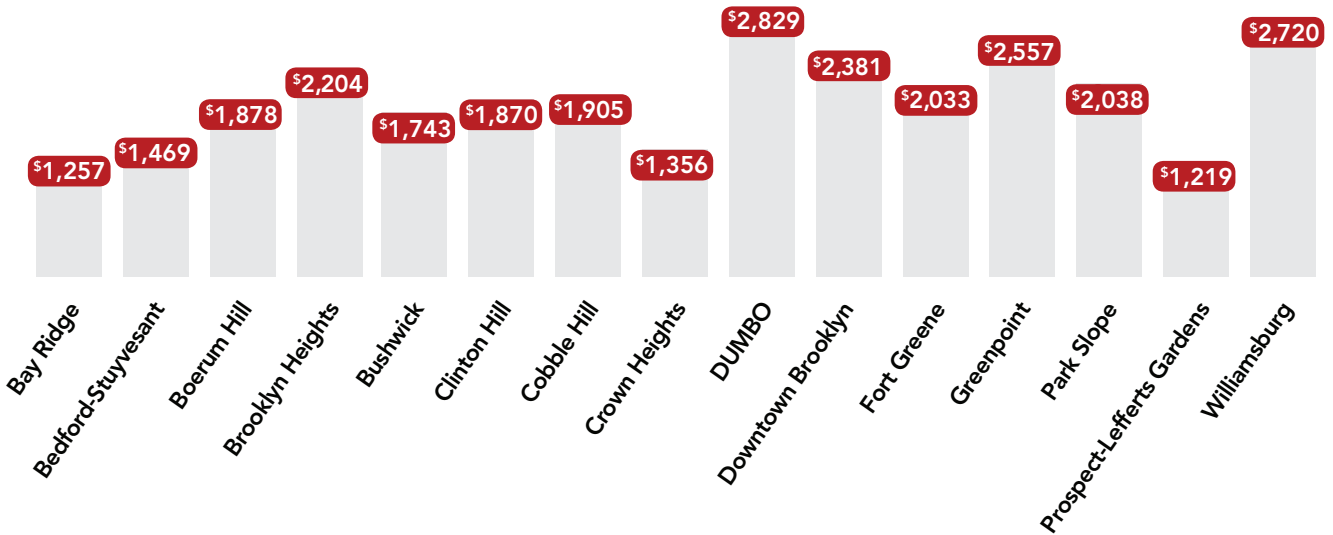
One-Bedroom

\$2,468

Two-Bedroom

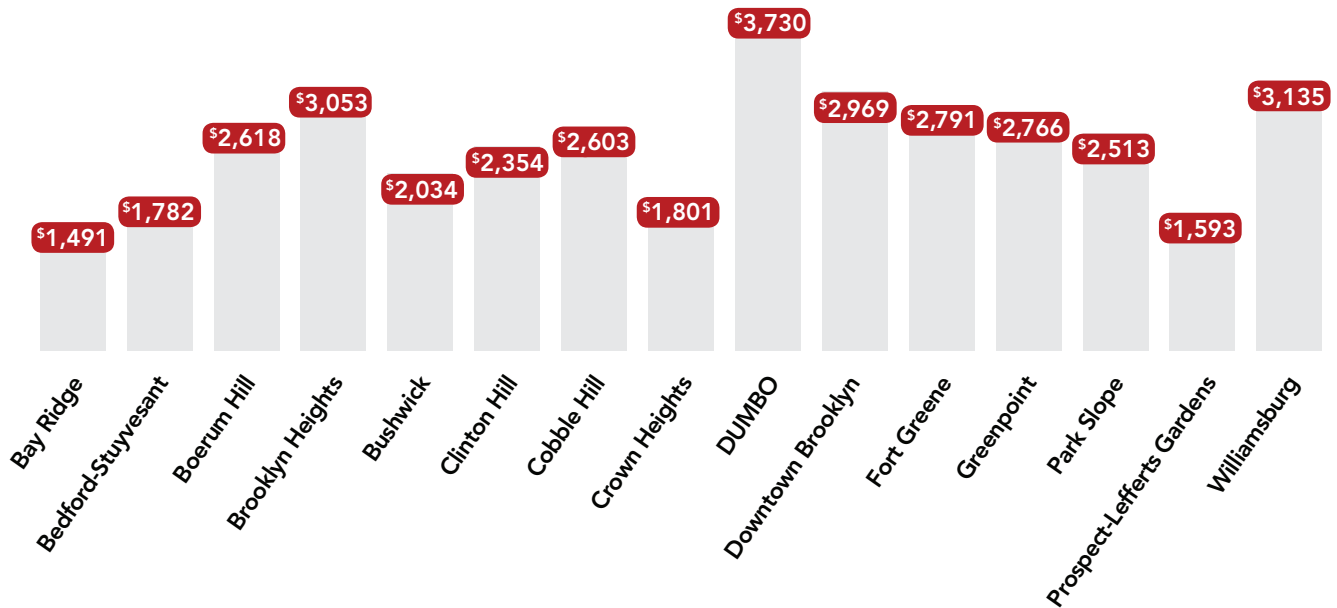
\$3,265

2013 Mean Studio Rental Prices

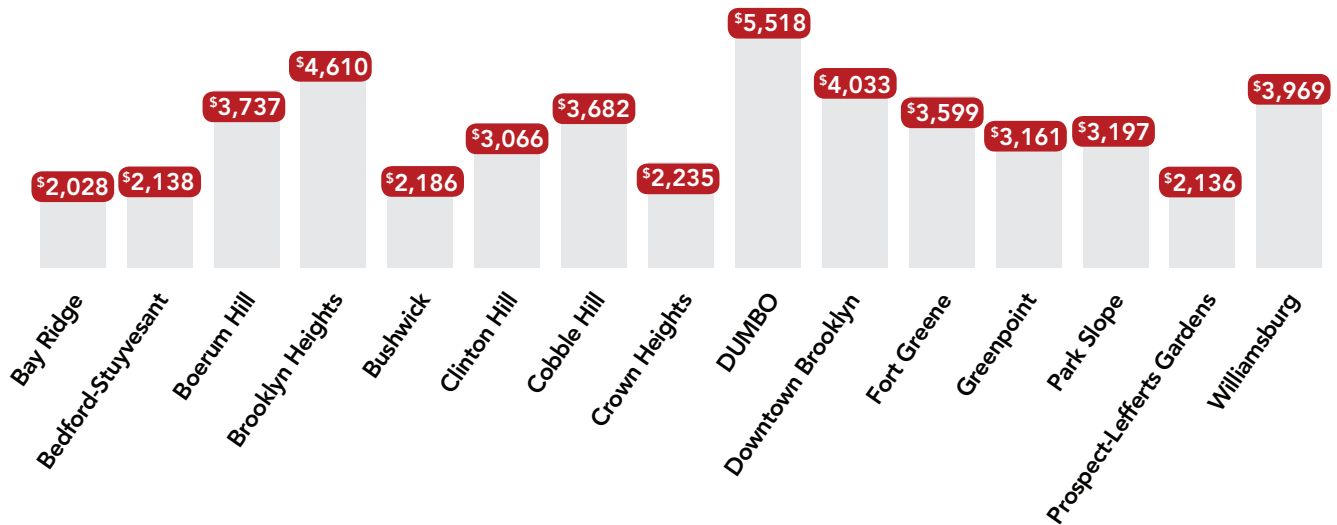


MEAN RENTAL PRICES

2013 Mean One Bedroom Rental Prices



2013 Mean Two Bedroom Rental Prices



PRICE TRENDS

Bay Ridge Price Changes of 2013*

Studio
↑ 12.14%

One-Bedroom
↑ 4.42%

Two-Bedroom
↑ 10.80%

Bedford-Stuyvesant Price Changes of 2013*

Studio
↑ 17.15%

One-Bedroom
↑ 12.18%

Two-Bedroom
↑ 4.63%

Boerum Hill Price Changes of 2013*

Studio
↓ 4.06%

One-Bedroom
↓ 3.43%

Two-Bedroom
↑ 9.09%

Brooklyn Heights Price Changes of 2013*

Studio
↑ 12.49%

One-Bedroom
↑ 0.26%

Two-Bedroom
↑ 3.01%

* This figure represents the percentage change in pricing from 2012 to 2013 for each unit type.

PRICE TRENDS

Bushwick Price Changes of 2013*

Studio

↑ 15.63%

One-Bedroom

↑ 15.58%

Two-Bedroom

↑ 7.55%

Clinton Hill Price Changes of 2013*

Studio

↑ 13.30%

One-Bedroom

↓ 4.97%

Two-Bedroom

↓ 4.15%

Cobble Hill Price Changes of 2013*

Studio

↑ 3.24%

One-Bedroom

↓ 2.68%

Two-Bedroom

↑ 12.05%

Crown Heights Price Changes of 2013*

Studio

↓ 5.33%

One-Bedroom

↑ 3.81%

Two-Bedroom

↓ 2.94%

* This figure represents the percentage change in pricing from 2012 to 2013 for each unit type.

PRICE TRENDS

Dumbo Price Changes of 2013*

Studio
↑ 4.27%

One-Bedroom
↑ 4.05%

Two-Bedroom
↑ 13.25%

Fort Greene Price Changes of 2013*

Studio
↑ 2.14%

One-Bedroom
↑ 2.80%

Two-Bedroom
↑ 10.25%

Greenpoint Price Changes of 2013*

Studio
↑ 14.04%

One-Bedroom
↑ 7.28%

Two-Bedroom
↑ 7.26%

Park Slope Price Changes of 2013*

Studio
↑ 15.73%

One-Bedroom
↑ 3.81%

Two-Bedroom
↑ 4.04%

* This figure represents the percentage change in pricing from 2012 to 2013 for each unit type.

PRICE TRENDS

Prospect-Lefferts Gardens Price Changes of 2013*

Studio

↓ 3.19%

One-Bedroom

↓ 0.08%

Two-Bedroom

↓ 4.10%

Williamsburg Price Changes of 2013*

Studio

↑ 3.88%

One-Bedroom

↑ 3.51%

Two-Bedroom

↑ 2.55%

* This figure represents the percentage change in pricing from 2012 to 2013 for each unit type.

PRICE TRENDS

Neighborhood Trends

Bay Ridge **\$1,593**

Bedford-Stuyvesant **\$1,797**

Boerum Hill **\$2,750**

Brooklyn Heights **\$3,293**

Bushwick **\$1,988**

Clinton Hill **\$2,435**

Cobble Hill **\$2,738**

Crown Heights **\$1,798**

Dumbo **\$4,031**

Downtown BK **\$3,139**

Fort Greene **\$2,813**

Greenpoint **\$2,827**

Park Slope **\$2,581**

Prospect-Lefferts Gardens **\$1,655**

Williamsburg **\$3,270**

REPORT EXPLAINED



The Brooklyn Rental Market Report™ is the only report that compares fluctuation in the city's rental data on a monthly basis. It is an essential tool for potential renters seeking transparency in the NYC apartment market and a benchmark for landlords to efficiently and fairly adjust individual property rents in Brooklyn.

The Brooklyn Rental Market Report™ is based on data cross-sectioned from over 10,000 currently available listings and priced under \$10,000, with ultra-luxury property omitted to obtain a true monthly rental average. Our data is aggregated from the MNS proprietary database and sampled from a specific mid-month point to record current rental rates offered by landlords during that particular month. It is then combined with information from the REBNY Real Estate Listings Source (RLS), OnLine Residential (OLR.com) and R.O.L.E.X. (Real Plus).

Author MNS has been helping NYC landlords and renters navigate the rental market since 1999. From large companies to individuals, MNS tailors services to meet your needs. Contact us today to see how we can help.

Contact Us Now at 212.475.9000

Note All market data is collected and compiled by MNS' marketing department. The information presented here is intended for instructive purposes only and has been gathered from sources deemed reliable, though it may be subject to errors, omissions, changes or withdrawal without notice.

If you would like to republish this report on the web, please be sure to source it as the "Brooklyn Rental Market Report" with a link back to its original location.

http://www.mns.com/brooklyn_year_end_market_report_2013