

MNS

REAL IMPACT REAL ESTATE

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INTRODUCTION

MNS is proud to present our sixth 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 2016.

Prices in Brooklyn increased this year, by modest amounts, as they did last year. Studio prices increased by 2.9%, compared to 0.8% last year. One bedroom prices increased by 2.2% this year, and by 1.3% last year. Two bedroom prices increased by 0.8% this year, and by 2.1% last year. This is an overall increase of 1.8% from 2015 to 2016, from \$2,716 to \$2,766.

Very large changes were seen in studio prices this year. Bed-Stuy studio prices, for instance, increased by 14.77%. Bed Stuy has attracted the attention of people perhaps priced out of other Brooklyn neighborhoods, but also looking for a distinct historical, calmer feel in a neighborhood. Development along Fulton Street has expedited price increases. Crown Heights studio prices increased by 15.75%. Development of the Bedford-Union Armory will only change the market further. Prices of PLG studios increased the most of any neighborhood and unit size this year, by 16.53%. The largest changes in the prices of one and two bedroom units was +12.42% and +8.96%. Both of these changes were also in PLG. Proximity to Prospect Park and transit options make PLG an appealing area to settle down. The largest price drop this year was in the price of two bedroom units in Williamsburg. Additionally, the prices of both studios and one bedroom units also dropped in Williamsburg. This can be attributed to high development activity in the past few years, particularly along the waterfront where 1 N 4th launched in early 2015 driving the prices up in the neighborhood. With the building leasing up in early in the year, coupled with the anticipated shutdown of the L train, the overall annual average for 2016 naturally took a decrease as the market adjusted.

Notable developments of 2016 include the Margo, the 228 unit, 16 story rental building at 180 Myrtle Avenue in Downtown Brooklyn. Residential tenants and businesses are attracted to its proximity to Manhattan, and its growing culture, with several offices, community spaces, and court facilities located near many transit options. Development continued further east into the borough and south down the shoreline, evidenced in buildings like 365 Bond, the 430 unit, 12 story rental building in Gowanus. Even bigger was The Ashland, the 586 unit, 53 story rental tower at 250 Ashland Place in Fort Greene. The Waverly Brooklyn, a condo building in Clinton Hill, boasted 49 units over 7 floors.

Several buildings are currently under construction. 550 Vanderbilt will bring 278 units to Prospect Heights. The Nevins will add 73 new units to Boerum Hill, and the Hendrik will add 33 more units. All three of these buildings are currently being presold. Other developments are far from completion but are very exciting, such as 9 DeKalb Avenue in Downtown Brooklyn, which JDS Development claims will be Brooklyn's "first skyscraper." It is anticipated to contain 500 apartments and rise 1,066 feet in the air by 2019.

NOTABLE TRENDS

Growth Rate While Williamsburg and Downtown Brooklyn saw the greatest price increases last year, it was prices in PLG and Crown Heights that increased the most this year. The largest price drop was in Williamsburg, but it did not drop by as much as other neighborhood prices increased. New developments continue to expand further into the borough.

Neighborhood Trends Studio prices increased more than any other apartment size this year, and they were in high demand last year as well. One and two bedroom prices also increased, but by less than studio prices. For developers, studios reign as the highest prices per square foot, and for tenants, they allow flexibility and lower cost overall.

Brooklyn Rents: 2015 vs. 2016

Type	2015	2016	Change
Studios	\$2,144	\$2,207	↑ 2.9%
One-Bedrooms	\$2,607	\$2,666	↑ 2.2%
Two-Bedrooms	\$3,398	\$3,424	↑ 0.8%

MEAN RENTAL PRICES

2016 Mean Brooklyn Rental Prices

Studio

\$2,207

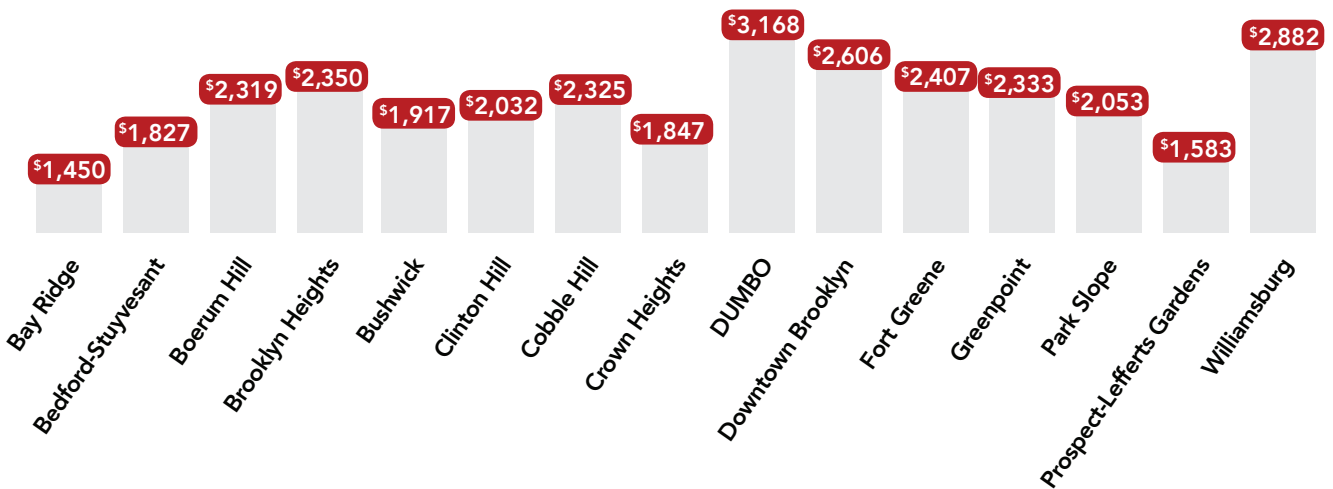
One-Bedroom

\$2,666

Two-Bedroom

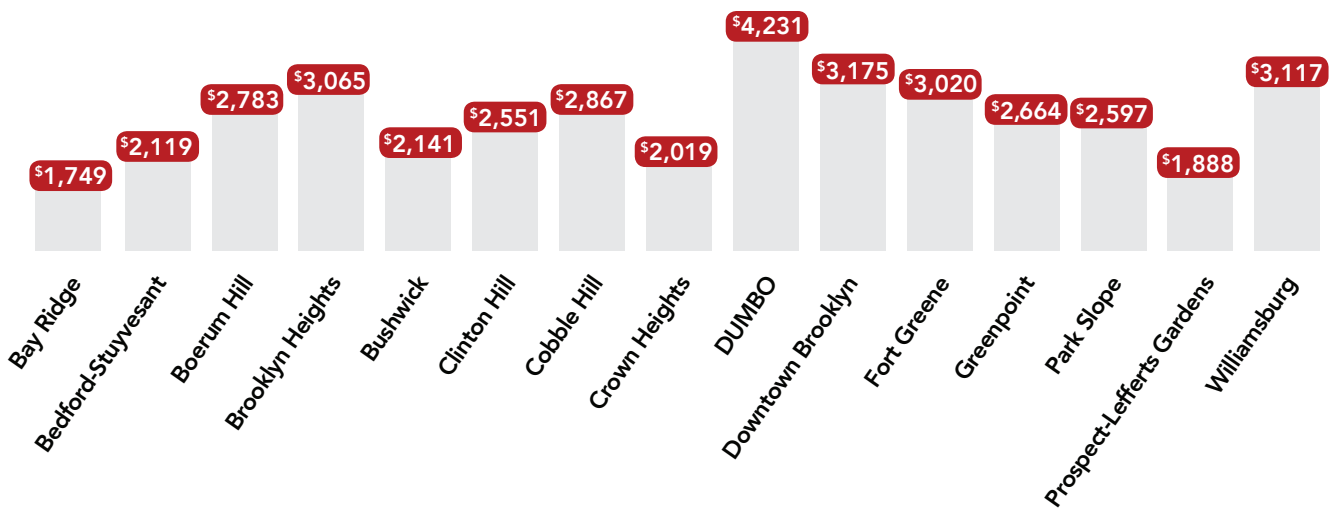
\$3,424

2016 Mean Studio Rental Prices

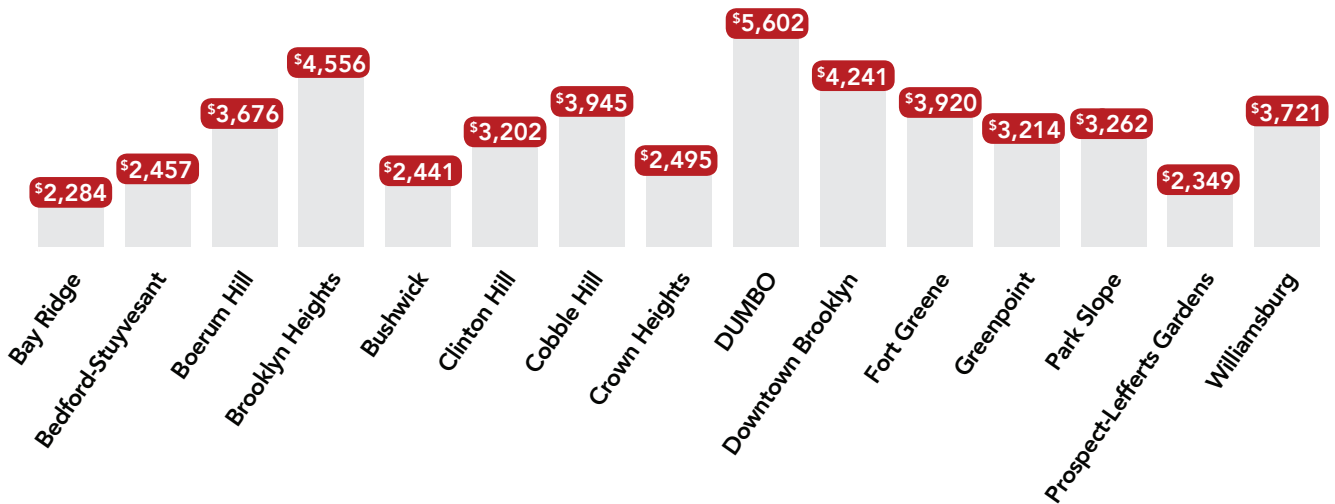


MEAN RENTAL PRICES

2016 Mean One Bedroom Rental Prices



2016 Mean Two Bedroom Rental Prices



PRICE TRENDS

Bay Ridge Price Changes of 2016*

Studio
↑ 8.36%

One-Bedroom
↑ 5.72%

Two-Bedroom
↑ 2.90%

Bedford-Stuyvesant Price Changes of 2016*

Studio
↑ 14.77%

One-Bedroom
↑ 6.10%

Two-Bedroom
↑ 4.06%

Boerum Hill Price Changes of 2016*

Studio
↓ 8.65%

One-Bedroom
↓ 1.08%

Two-Bedroom
↓ 1.46%

Brooklyn Heights Price Changes of 2016*

Studio
↓ 0.47%

One-Bedroom
↓ 1.48%

Two-Bedroom
↑ 0.61%

* This figure represents the percentage change in pricing from 2015 to 2016 for each unit type.

PRICE TRENDS

Bushwick Price Changes of 2016*

Studio

↑ 4.68%

One-Bedroom

↑ 4.26%

Two-Bedroom

↑ 3.62%

Clinton Hill Price Changes of 2016*

Studio

↓ 2.07%

One-Bedroom

↑ 2.99%

Two-Bedroom

↑ 2.05%

Cobble Hill Price Changes of 2016*

Studio

↑ 8.09%

One-Bedroom

↑ 2.22%

Two-Bedroom

↑ 4.38%

Crown Heights Price Changes of 2016*

Studio

↑ 15.75%

One-Bedroom

↑ 7.55%

Two-Bedroom

↑ 7.21%

* This figure represents the percentage change in pricing from 2015 to 2016 for each unit type.

PRICE TRENDS

Dumbo Price Changes of 2016*

Studio
↑ 1.46%

One-Bedroom
↑ 4.75%

Two-Bedroom
↑ 0.31%

Downtown Brooklyn Price Changes of 2016*

Studio
↓ 1.99%

One-Bedroom
↓ 2.49%

Two-Bedroom
↓ 3.63%

Fort Greene Price Changes of 2016*

Studio
↑ 4.93%

One-Bedroom
↑ 3.76%

Two-Bedroom
↑ 5.63%

Greenpoint Price Changes of 2016*

Studio
↑ 2.91%

One-Bedroom
↑ 1.98%

Two-Bedroom
↑ 0.26%

* This figure represents the percentage change in pricing from 2015 to 2016 for each unit type.

PRICE TRENDS

Park Slope Price Changes of 2016*

Studio

↑ 1.42%

One-Bedroom

↑ 0.61%

Two-Bedroom

↓ 3.26%

Prospect-Lefferts Gardens Price Changes of 2016*

Studio

↑ 16.53%

One-Bedroom

↑ 12.42%

Two-Bedroom

↑ 8.96%

Williamsburg Price Changes of 2016*

Studio

↓ 2.50%

One-Bedroom

↓ 3.90%

Two-Bedroom

↓ 9.21%

* This figure represents the percentage change in pricing from 2015 to 2016 for each unit type.

PRICE TRENDS

Average Prices Over The Year

Bay Ridge **\$1,827**

Bedford-Stuyvesant **\$2,134**

Boerum Hill **\$2,926**

Brooklyn Heights **\$3,324**

Bushwick **\$2,166**

Clinton Hill **\$2,595**

Cobble Hill **\$3,046**

Crown Heights **\$2,120**

Dumbo **\$4,334**

Downtown BK **\$3,341**

Fort Greene **\$3,116**

Greenpoint **\$2,737**

Park Slope **\$2,637**

Prospect-Lefferts Gardens **\$1,940**

Williamsburg **\$3,240**

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_2016