



MANHATTAN NEW DEVELOPMENT REPORT

2011 SECOND QUARTER

TABLE OF CONTENTS



Introduction	3
Market Snapshot	4
Neighborhood Price Trends	
Harlem	8
Upper West Side	9
Upper East Side	10
Midtown West	11
Midtown East	12
Murray Hill	13
Chelsea	14
Gramercy Park	15
Greenwich Village	16
East Village	17
SoHo	18
Lower East Side	19
TriBeCa	20
Financial District	21
Battery Park City	22
The Report Explained	24

INTRODUCTION



MNS is proud to present the Second Quarter 2011 edition of our New Development Market Report. New Development Sales data, defined as such “Arms-Length” first offering transactions where the seller is considered a “Sponsor”, was compiled from the Automated City Register Information System (ACRIS) for sponsor sales that traded during the First Quarter of 2011 (01/01/11 – 03/31/11).

MARKET SNAPSHOT

Year-over-Year Manhattan New Development Condominium sales numbers are up, 6% on a price per square foot basis (\$1,238/SF this quarter versus \$1,185/SF in 2Q10) and 18% on an average sales price (just \$1.85M this quarter versus just under \$1.6M in 2Q10). Compared to 1Q11, Manhattan New Development price per square foot averages are down 3%, while average sales prices are virtually flat.

MARKET UP-SWINGS:

Although absorption was relatively static, Flatiron had the most positive change this quarter, with the closings of 15 Union Square West and the mighty \$13M Cupola apartment at 141 Fifth Ave forcing the neighborhood average up over 50% from last quarter.

Bringing the Lower East Side's quarterly average price per square foot finally over the \$1,000 benchmark was the Karl Fisher designed 7 unit 263 Bowery Condominium. This neighborhood had a 19% increase from last quarter on a price per square foot basis and also had the highest concentration of 2 bedroom units sold as compared to other supply within the neighborhood.

With only 1 closing of the small units at Trump Soho Hotel Condominium this quarter, versus 6 records in 1Q11, Soho's average sales price buoyed 24%. In addition, over 80% of Soho's sold inventory was units over 1,500 SF, just second to Tribeca's 86% 1500+ market.

MARKET SNAPSHOT**MARKET DOWN-SWINGS:**

While last quarter we saw Greenwich Village and Chelsea sales at a high point, closings this quarter brought those neighborhood averages down about 50%. The Devonshire dominated the Greenwich Village market, and while these sales brought the neighborhood down from \$1,805/SF to \$1,548/SF, the neighborhood remained static when compared to a year ago. In Chelsea, where MNS sold the remaining 7 units at Loft 25, the initial closings at the +Art averaging \$1,067/SF, buried the \$1,351/SF average from last quarter.

INVENTORY ANALYSIS:

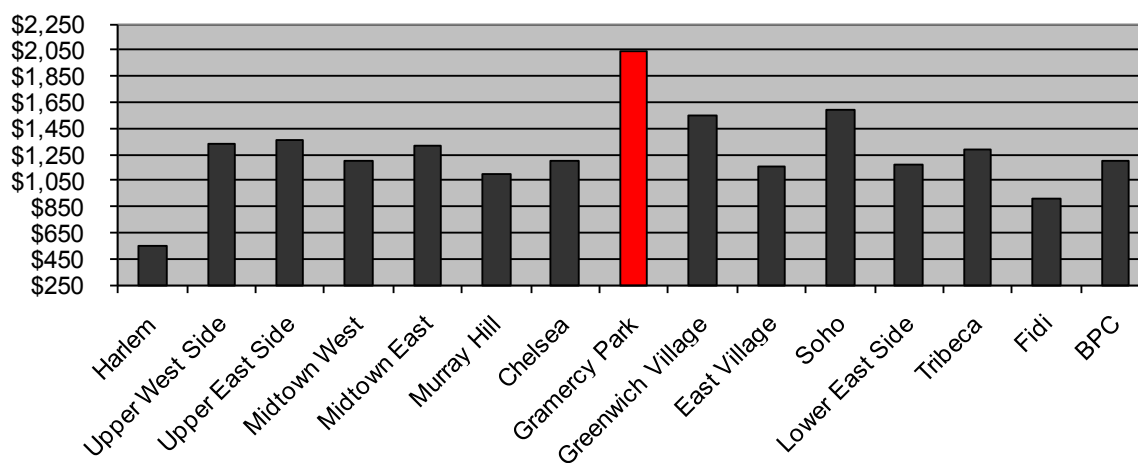
The second quarter of 2011 brought 20% more sponsor sales to the city registry, compared to last quarter. Of note this quarter, Midtown west emerged with 12% of Manhattan's New Development sales primarily from Sheffield 57, Griffin Court and The Dillon.

The 2Q11 New Development inventory winner was the Financial District with the same 16% that Harlem had last quarter. FIDI is also speeding in a positive direction in regards to absorption, and along with Tribeca and Battery Park City, lower Manhattan almost doubled its absorption rate to an average of about 40 units per month.

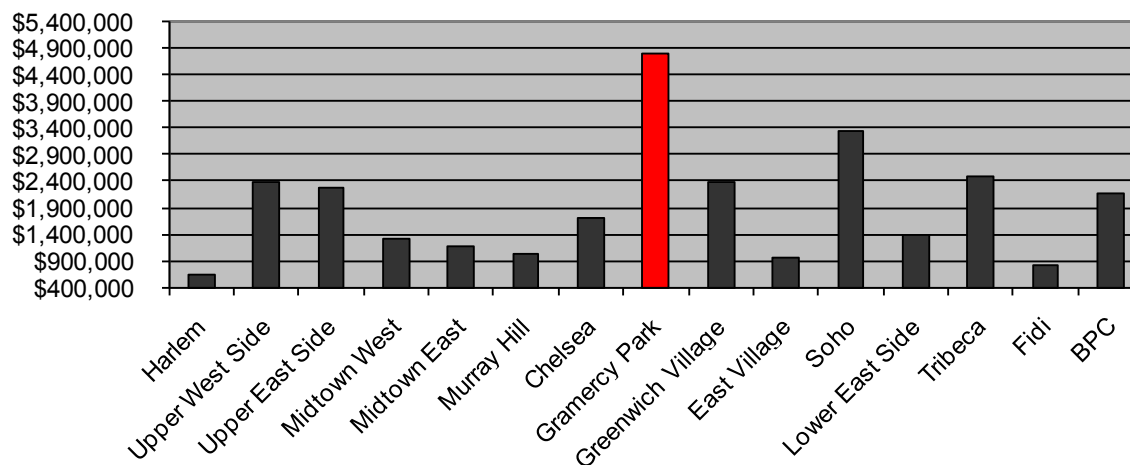
MARKET SNAPSHOT



2Q11 Avg PPSF BY NEIGHBORHOOD



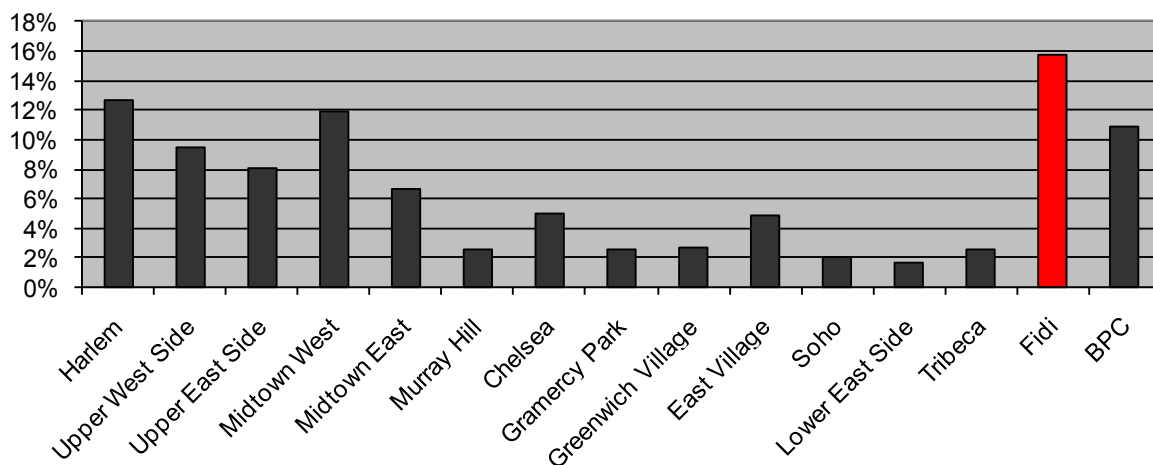
2Q11 Avg SALES PRICE BY NEIGHBORHOOD



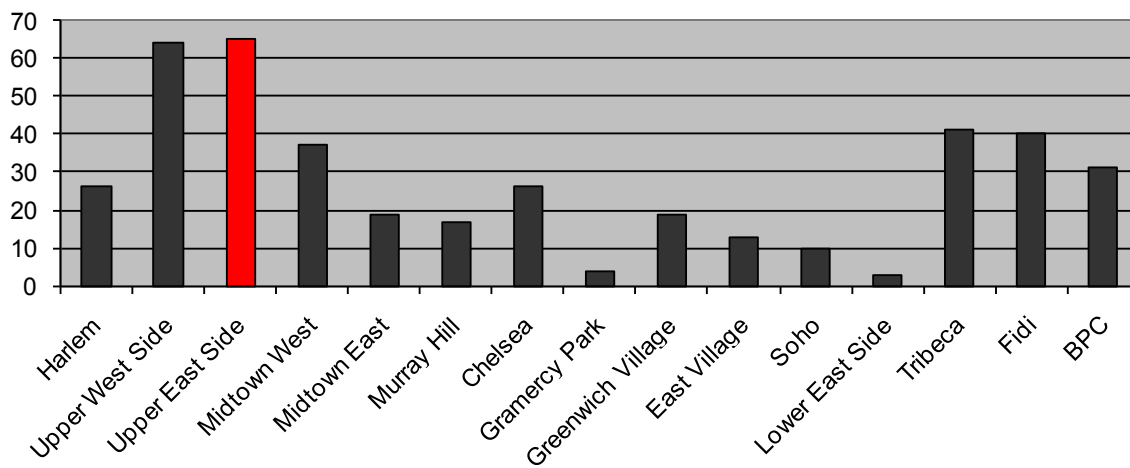
MARKET SNAPSHOT



% OF TOTAL SPONSOR SALES BOROUGH-WIDE



2Q11 Avg MONTHLY ABSORPTION RATE

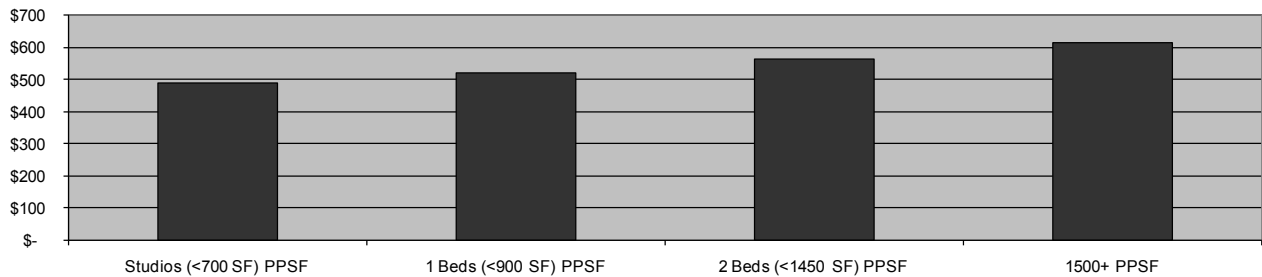


NEIGHBORHOOD PRICE TRENDS

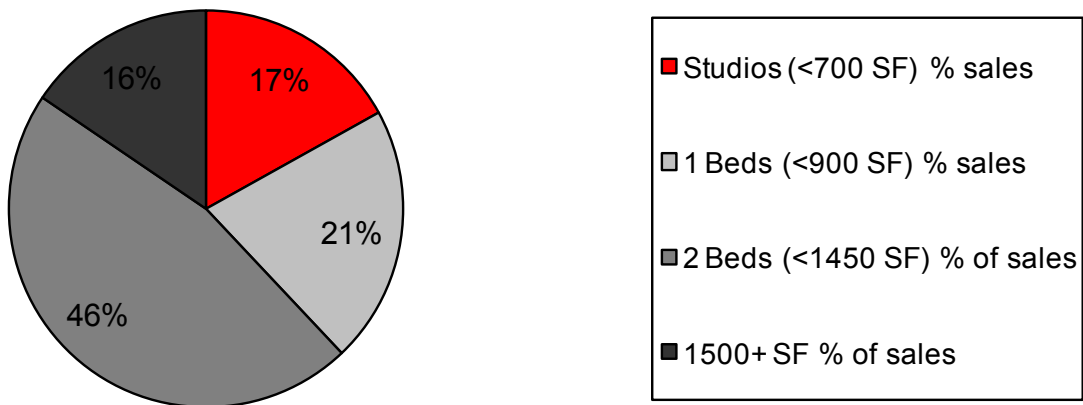
HARLEM



HARLEM PPSF BY UNIT SIZE (\$548/SF Avg)



% OF SALES WITHIN BAY HARLEM

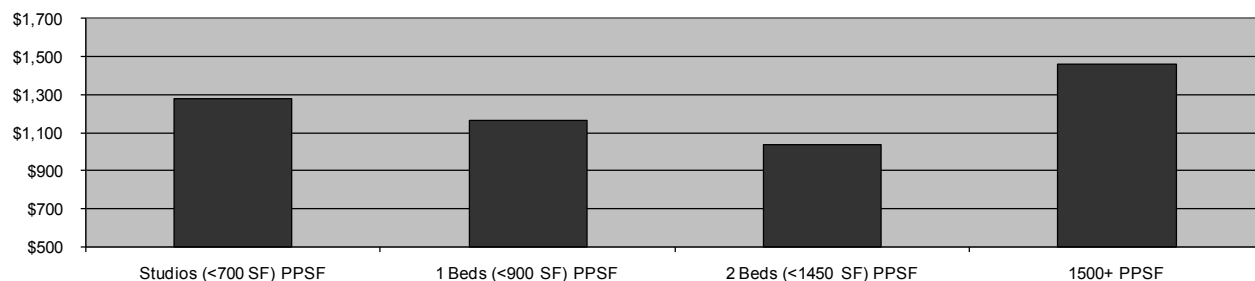


NEIGHBORHOOD PRICE TRENDS

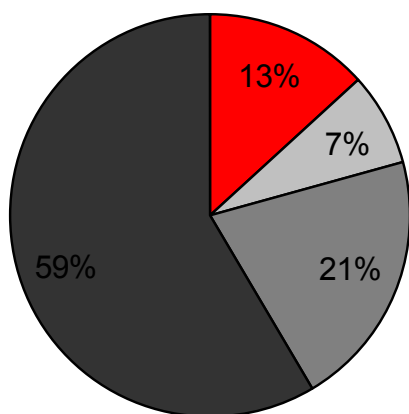
UPPER WEST SIDE



UWS PPSF BY UNIT SIZE (\$1,327/SF Avg)



% OF SALES WITHIN UWS



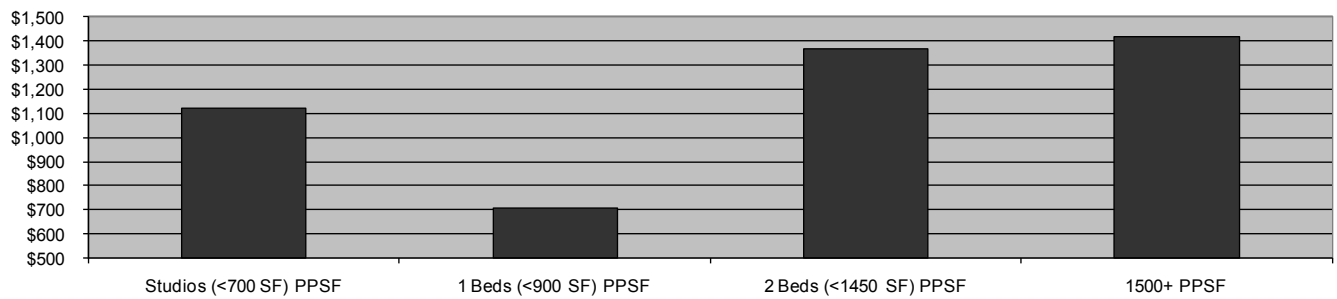
- Studios (<700 SF) % sales
- 1 Beds (<900 SF) % sales
- 2 Beds (<1450 SF) % of sales
- 1500+ SF % of sales

NEIGHBORHOOD PRICE TRENDS

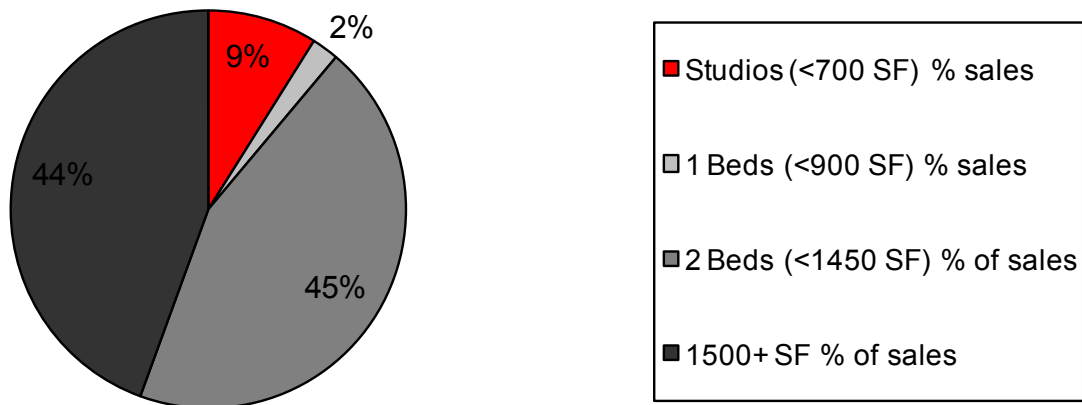
UPPER EAST SIDE



UES PPSF BY UNIT SIZE (\$1,355/SF Avg)



% OF SALES WITHIN UES

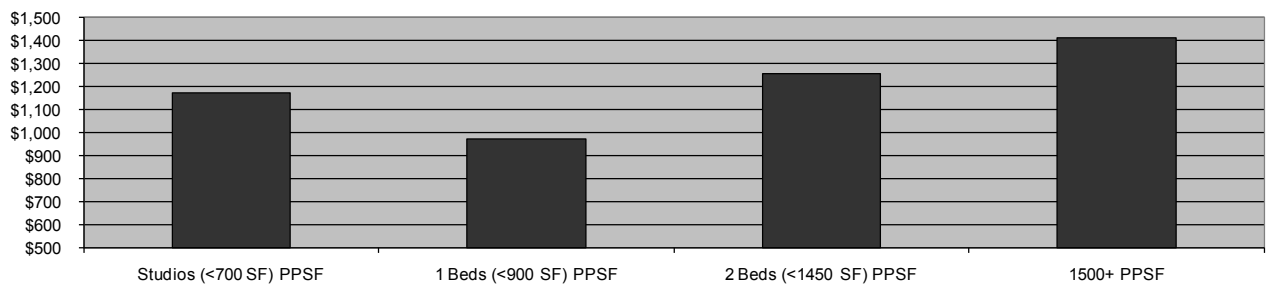


NEIGHBORHOOD PRICE TRENDS

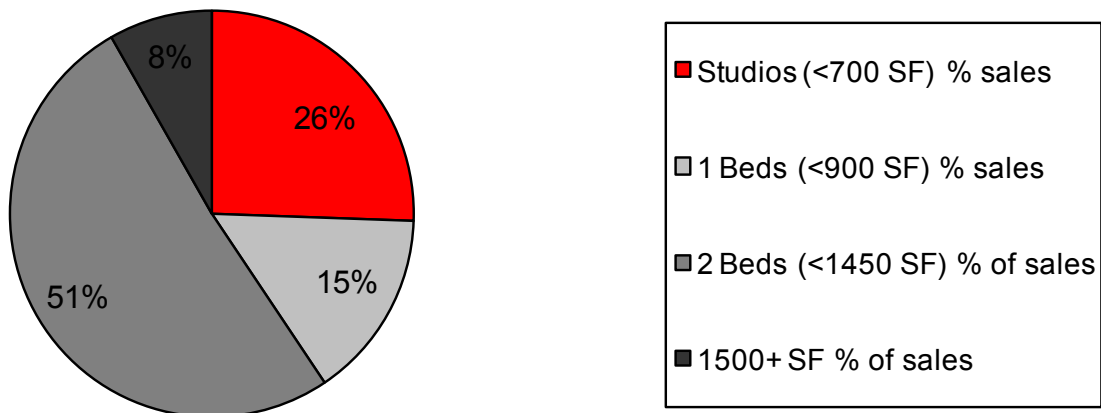
MIDTOWN WEST



MIDTOWN WEST PPSF BY UNIT SIZE (\$1,185/SF Avg)



% OF SALES WITHIN MIDTOWN WEST

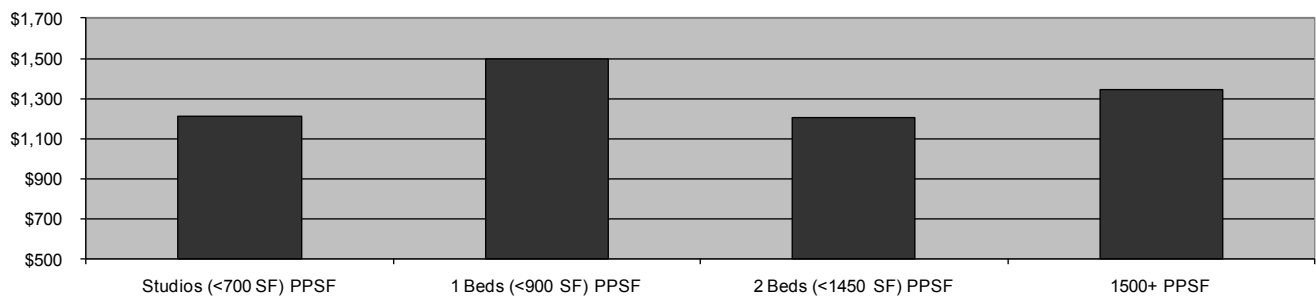


NEIGHBORHOOD PRICE TRENDS

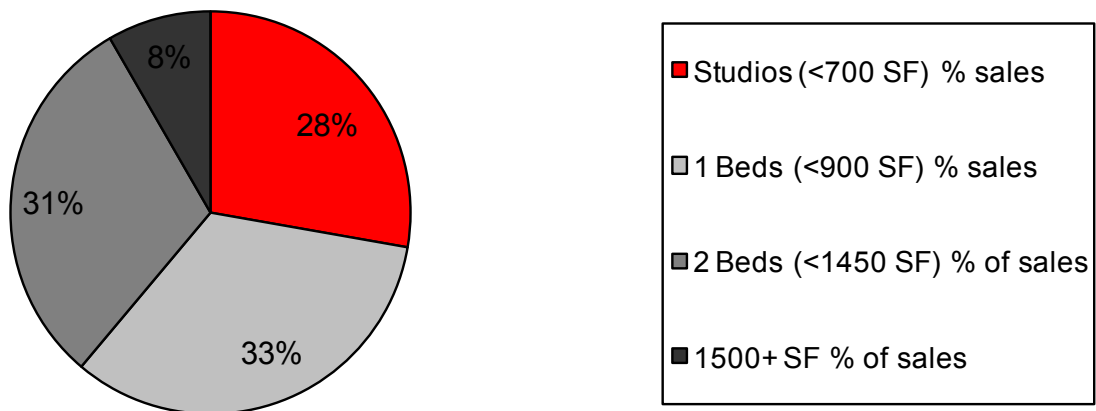
MIDTOWN EAST



MIDTOWN EAST PPSF BY UNIT SIZE (\$1,311/SF Avg)



% OF SALES WITHIN MIDTOWN EAST

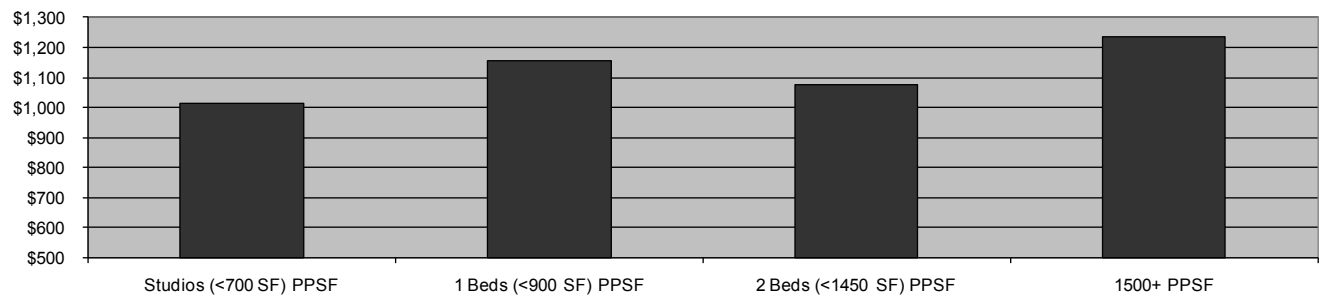


NEIGHBORHOOD PRICE TRENDS

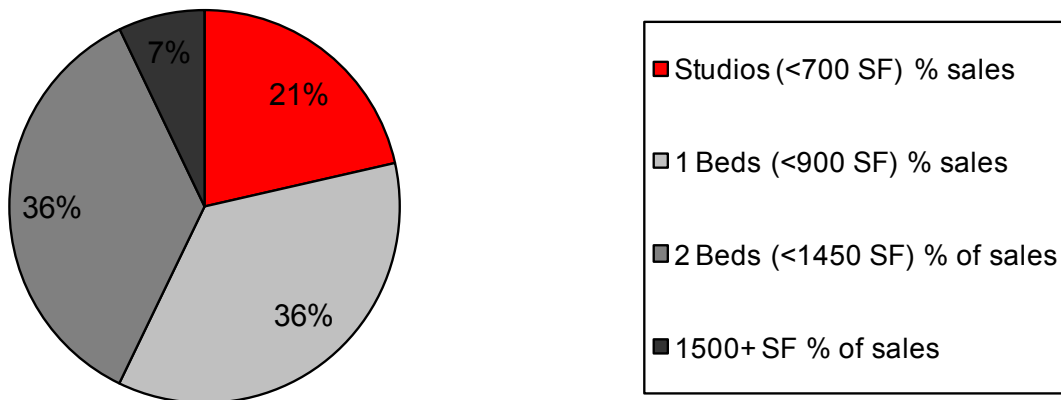
MURRAY HILL



MURRAY HILL PPSF BY UNIT SIZE (\$1,103/SF Avg)



% OF SALES WITHIN MURRAY HILL

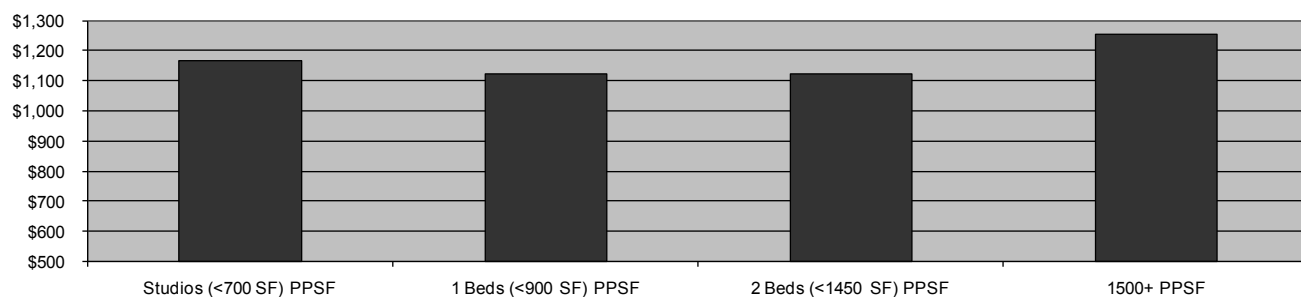


NEIGHBORHOOD PRICE TRENDS

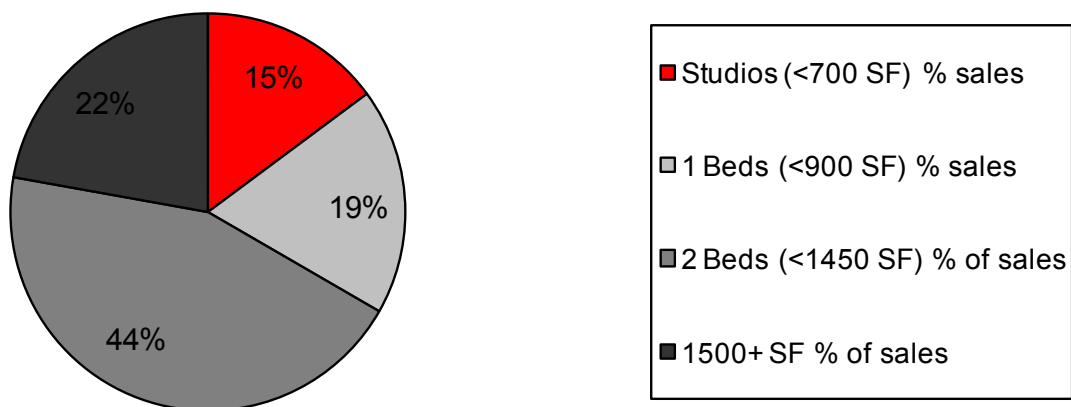
CHELSEA



CHELSEA PPSF BY UNIT SIZE (\$1,163/SF Avg)



% OF SALES WITHIN CHELSEA

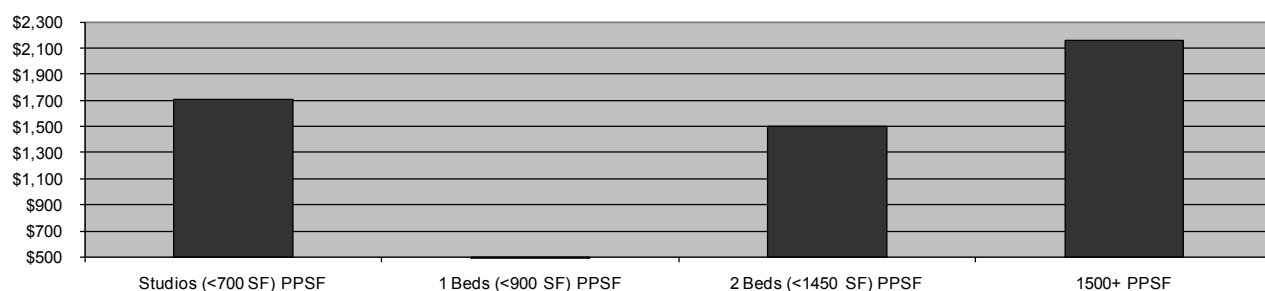


NEIGHBORHOOD PRICE TRENDS

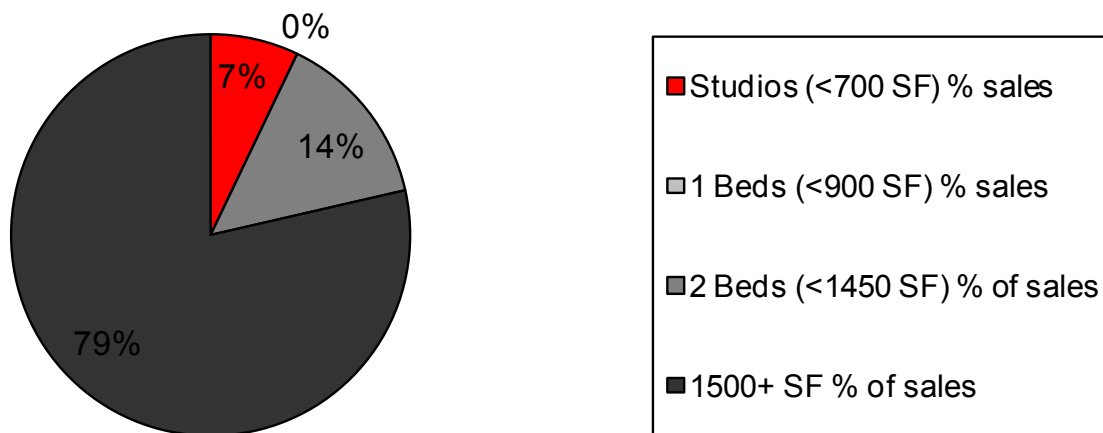
GRAMERCY PARK



GRAMERCY PARK PPSF BY UNIT SIZE (\$2,035/SF Avg)



% OF SALES WITHIN GRAMERCY PARK

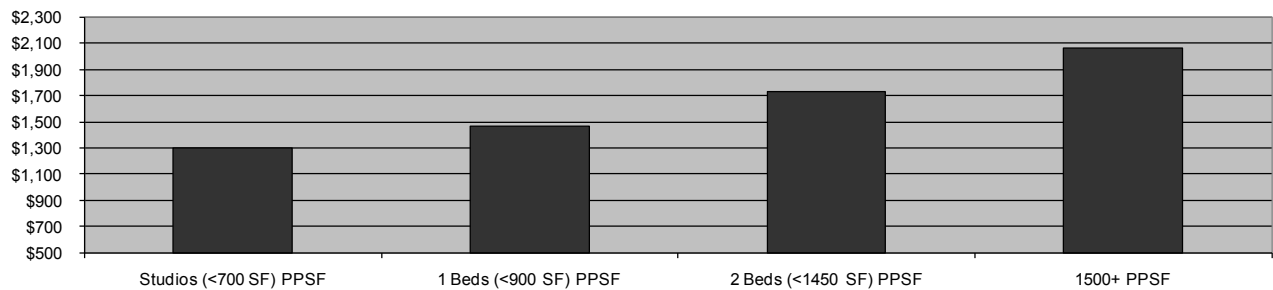


NEIGHBORHOOD PRICE TRENDS

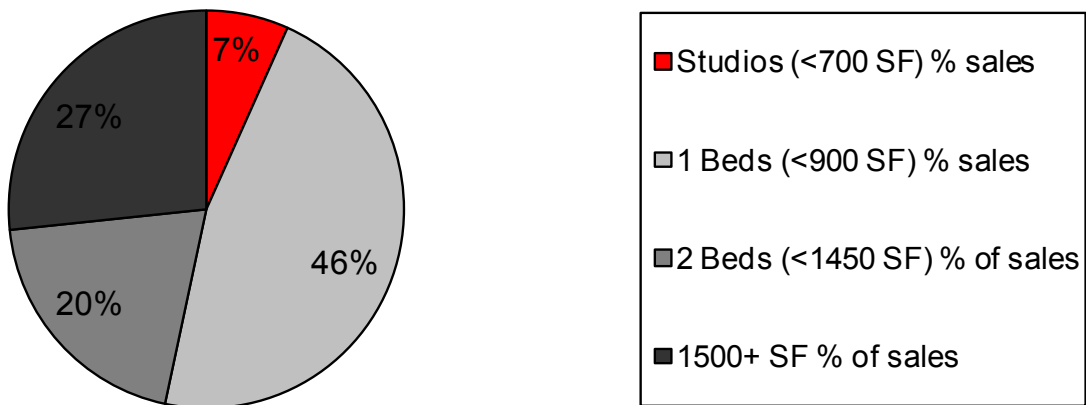
GREENWICH VILLAGE



GREENWICH VILLAGE PPSF BY UNIT SIZE (\$1,548/SF Avg)



% OF SALES WITHIN GREENWICH VILLAGE

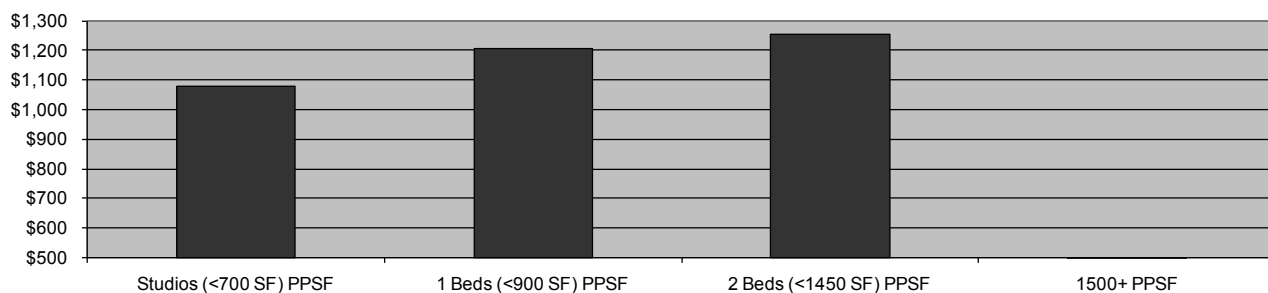


NEIGHBORHOOD PRICE TRENDS

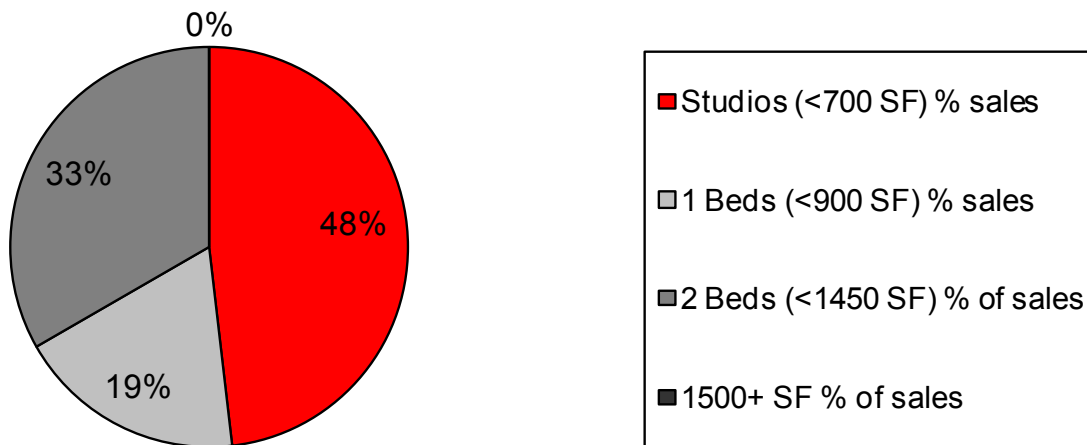
EAST VILLAGE



EAST VILLAGE PPSF BY UNIT SIZE (\$1,159/SF Avg)



% OF SALES WITHIN EAST VILLAGE

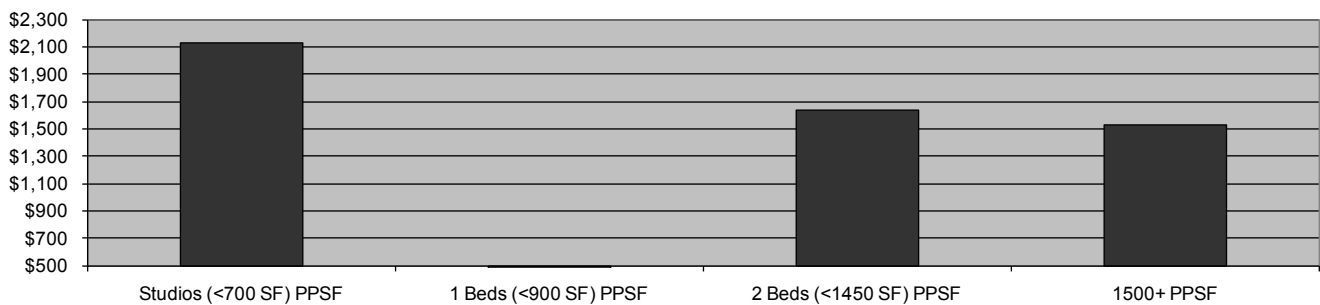


NEIGHBORHOOD PRICE TRENDS

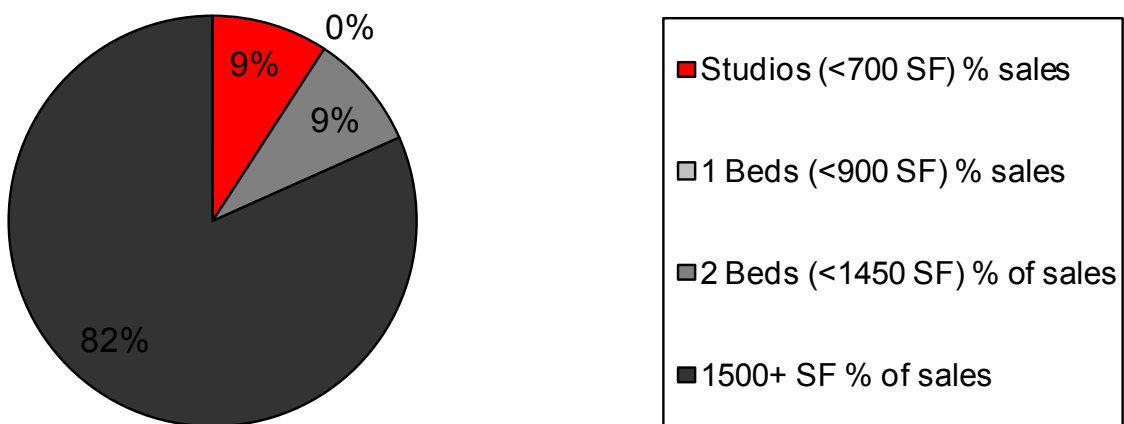
SOHO



SOHO PPSF BY UNIT SIZE (\$1,591/SF Avg)



% OF SALES WITHIN SOHO

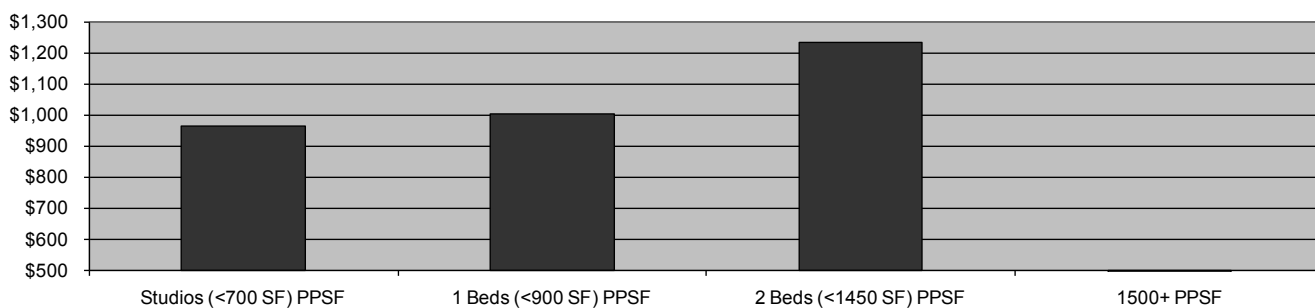


NEIGHBORHOOD PRICE TRENDS

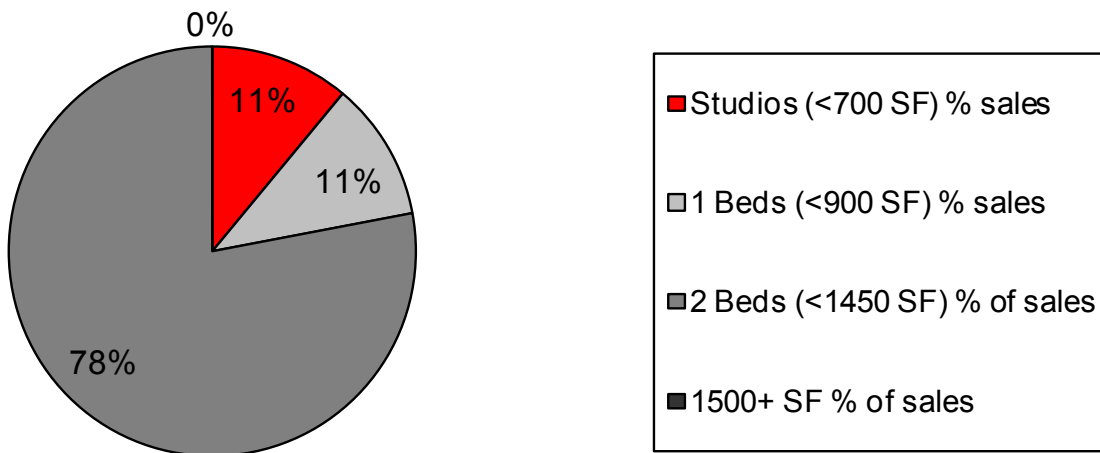
LOWER EAST SIDE



LES PPSF BY UNIT SIZE (\$1,177/SF Avg)



% OF SALES WITHIN LES

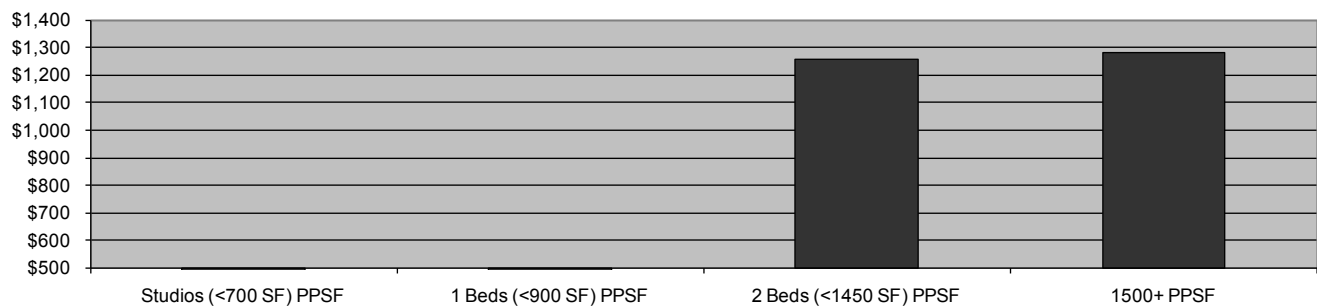


NEIGHBORHOOD PRICE TRENDS

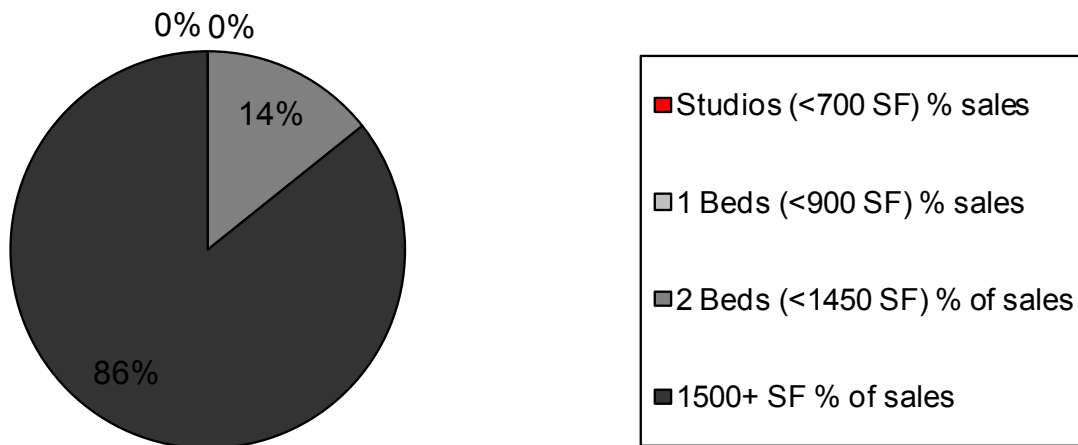
TRIBECA



TRIBECA PPSF BY UNIT SIZE (\$1,280/SF Avg)



% OF SALES WITHIN TRIBECA

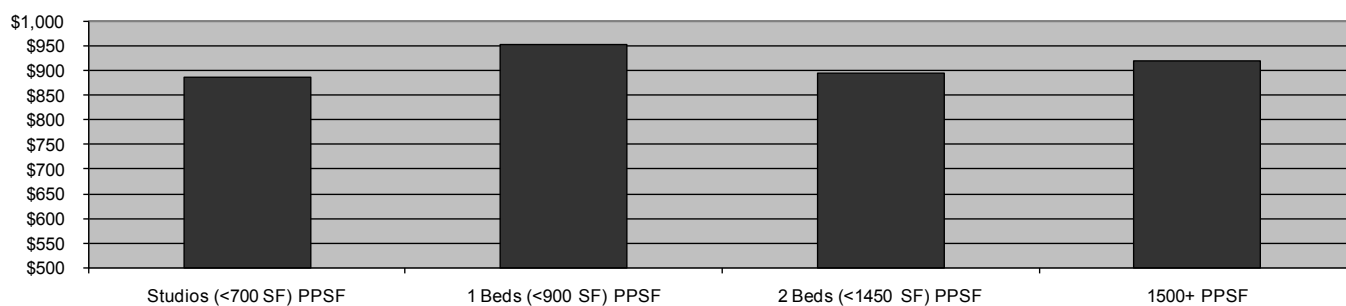


NEIGHBORHOOD PRICE TRENDS

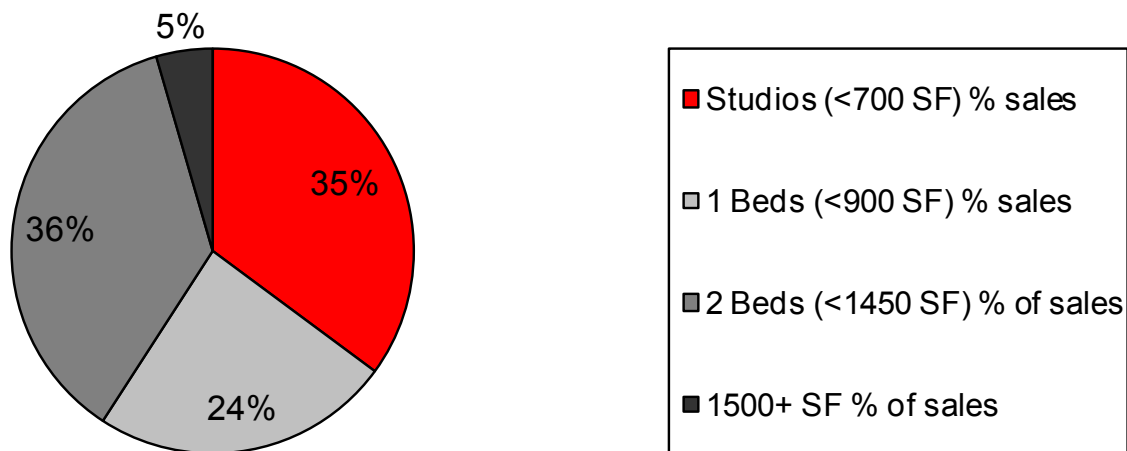
FINANCIAL DISTRICT



FINANCIAL DISTRICT PPSF BY UNIT SIZE (\$906/SF Avg)



% OF SALES WITHIN FINANCIAL DISTRICT

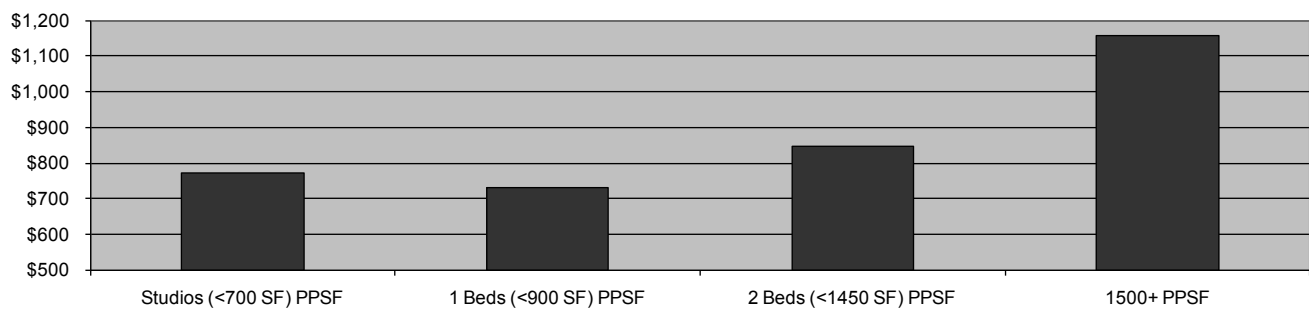


NEIGHBORHOOD PRICE TRENDS

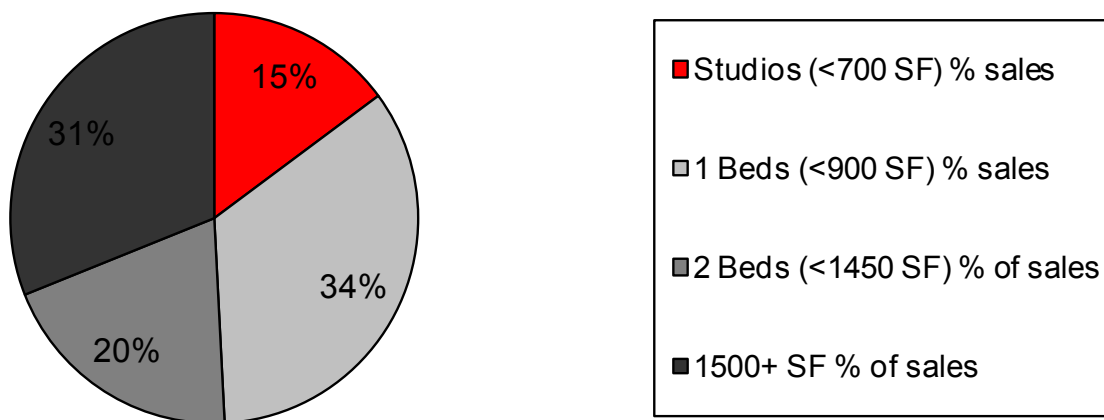
BATTERY PARK CITY



BPC PPSF BY UNIT SIZE (\$1,088/SF Avg)



% OF SALES WITHIN BPC





THE REPORT EXPLAINED



Included in this research are walk-up and elevator new development condominium buildings, as well as new conversion condominiums if the sales were applicable sponsor transactions. Excluded from the report are all cooperative sales. Unit types such as studios, 1-bedrooms, and 2-bedroom units are grouped by square footage ranges. Studios are under 700 square feet, 1-bedrooms are under 900 square feet, and 2-bedrooms are under 1,450 square feet. Added to the report is the over-sized unit type that ranges from 1,500 square feet to 5,500 square feet.

Presented with a quarter-over-quarter and year-over-year comparison, both city-wide and by neighborhood, MNS' New Development Report tracks the market trends throughout Manhattan and Brooklyn. MNS offers a unique insight to the New Development market by tracking stalled construction sites on a quarterly basis, a great indicator of where development in general is moving. MNS is your source to find neighborhood price per square foot analysis, average sale prices, unit type sales trends, overall price movement, neighborhood inventory comparisons, and absorption rates.

Can't find what you're looking for? Ask MNS for more information at www.mns.com.

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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.

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