



Manhattan New Dev. Market Report
2017 3rd Quarter

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INTRODUCTION

MNS is proud to present the Third Quarter 2017 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 Third Quarter of 2017 (7/01/17 – 9/30/17). All data summarized is on a median basis.

MARKET SNAPSHOT

Market Snapshot

Year-Over-Year
Median PPSF
↓ 8.1%

Quarter-Over-Quarter
Median PPSF
↓ 11.3%

Year-Over-Year
Median Sales Price
↓ 32.9%

Quarter-Over-Quarter
Median Sales Price
↓ 35.4%

Manhattan New Development Sponsor Sales

↑ 46.9% from 2Q17

Neighborhood with the Most New Dev Sales

Gramercy Park 18.65% of all Manhattan

Total New Development Sales Volume

↑ 13.8% to \$1.645 Million from \$1.446 Million in 2Q17

Largest Quarterly Up-Swing

Gramercy Park

PPSF \$2,884 /SF from \$2,126 /SF
Sales Price \$5,200,625 from \$3,595,073

Largest Quarterly Down-Swing

Financial District

PPSF \$1,850 from \$2,544
Sales Price \$2,011,044 from \$4,363,202

Highest New Development Sale PPSF

Midtown East, 432 Park Avenue 81B - \$6,962/SF

Highest New Development Sale

Midtown East, 432 Park Avenue 81B - \$37,745,776

Market Summary

Sales quantities increased this quarter in Manhattan by 46.86% from 303 units during the second quarter of 2017 to 445 during the third quarter of 2017. Total sales volume increased by 13.78% from \$1,446,238,325 to \$1,645,487,694. This increase in sales volume occurred after a significant drop in 2Q17, where sales volume fell from \$1,915,524,411 during 1Q17 to \$1,446,238,325. Due to increases in closings, median price per square foot over the last quarter fell by 11.3% from \$2,135 during 2Q17 to \$1,894. Median sales price also took a hit thanks to a large quantity of studio and one-bedroom closings in Harlem. During 3Q17, median sales price fell by 35.4% from \$3,668,755 to \$2,371,444. Year-over-year, median price per square foot has fallen by 8%, while median sales price has dropped by 33%.

Last quarter, the Financial District had the largest quantity of sponsor units sold, at 29% of total inventory. This quarter, however, the largest number of sponsor unit sales occurred in Gramercy Park/Flatiron, at just under 19% of total sales which translates to 83 out of 445 total sponsor unit sales in Manhattan. The next highest number of sponsor unit sales was in the Midtown West, at just over 15.5% of total sales. Following Midtown West, the next largest number of sponsor unit sales occurred in the Upper East Side, at just under 15.3% of total sponsor unit sales in Manhattan.

The sponsor sale with the highest price per square foot this quarter was unit 81B at 432 Park Avenue in Midtown East. The unit sold for \$37,745,776, or \$6,962 per square foot. The sponsor sale with the highest sales price was also unit 81B at 432 Park Avenue.

MARKET SNAPSHOT

Market Up-Swings

The largest quarterly upswing occurred in Gramercy Park/Flatiron, where the median price per square foot increased from \$2,126 to \$2,884. Additionally, the median sales price increased by 44.7%, from \$3,595,073 to \$5,200,625. Activity in Gramercy Park/Flatiron was dominated by one and two-bedroom units from 45 East 22nd Street and 385 First Avenue. 385 First Avenue is a new development built in 2016, containing 114 units spread out over 21 stories. 45 East 22nd Street, also known as Madison Square Park Tower, is a new development that is currently being finished. 45 East 22nd Street contains 83 units spread out over 65 stories.

Market Down-Swings

The largest downswing this quarter occurred in the Financial District, where median price per square foot decreased from \$2,544 to \$1,850, or 27.3%. Additionally, the median sales price in FiDi decreased by 53.9%, from \$4,363,202 to \$2,011,044. This decrease can be credited to the large number of smaller units closing, which drives median price per square foot and median sales prices down.

Market Trends

For the first time in nearly four quarters, two-bedrooms units were the majority of sponsor units sold. Of the 445 sponsor units sold in Manhattan, 37% of them were two-bedroom units. This represents a nearly 10% market share jump quarter-over-quarter for two-bedroom units, which comprised just 27% of sales during 2Q17.

Neighborhoods where the majority of each unit type was sold in 3Q17:

57.6%
Studios
Harlem

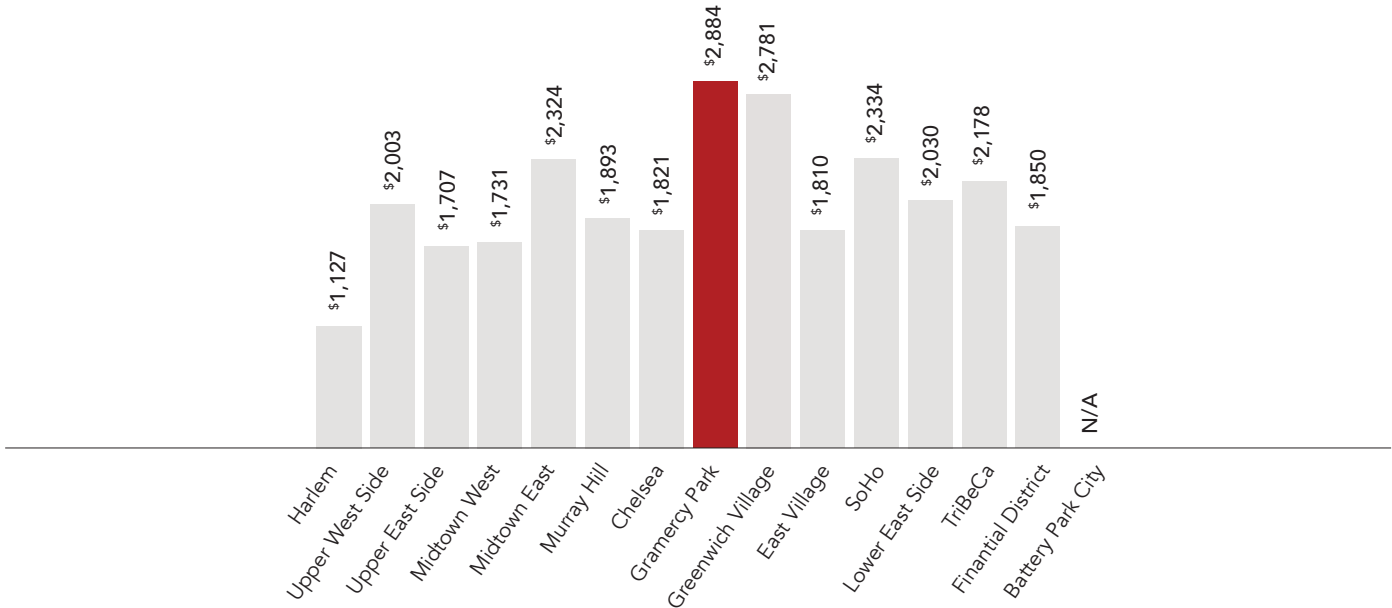
20.2%
One Bedrooms
Midtown West

21.1%
Two Bedrooms
Gramercy Park

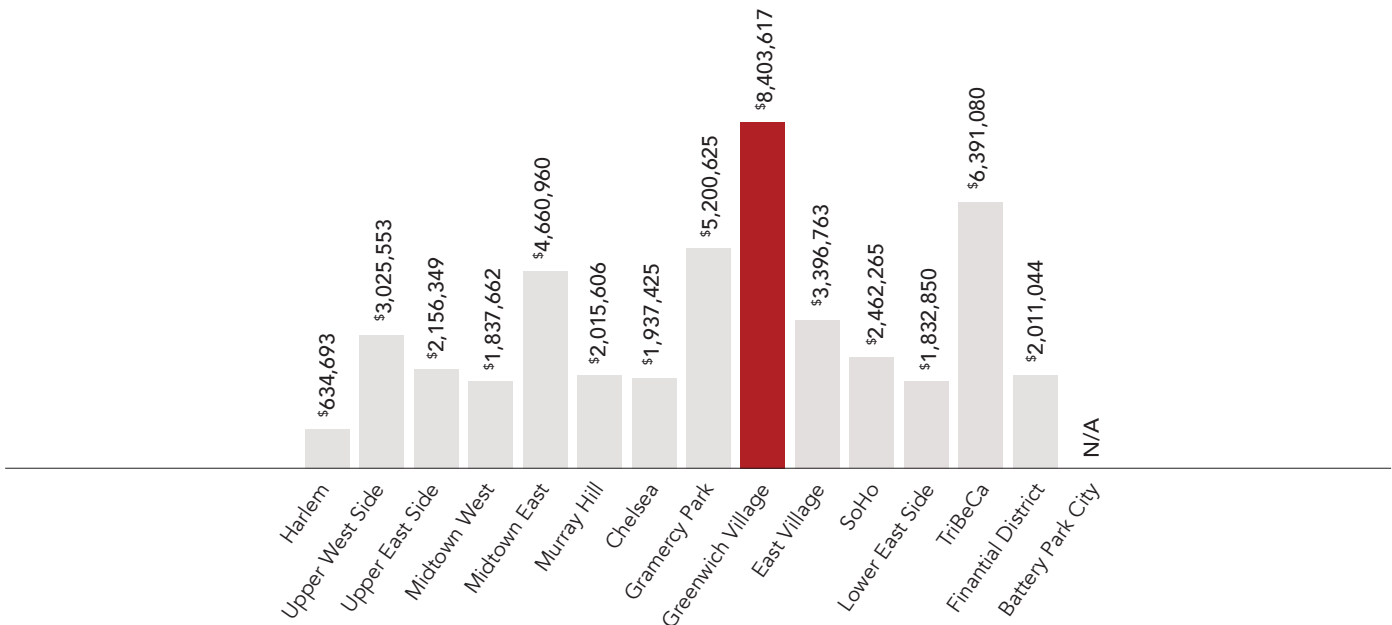
18.9%
1,500 + SF
Gramercy Park

MARKET SNAPSHOT

3Q17 Median Price per Square Foot (PPSF) By Neighborhood

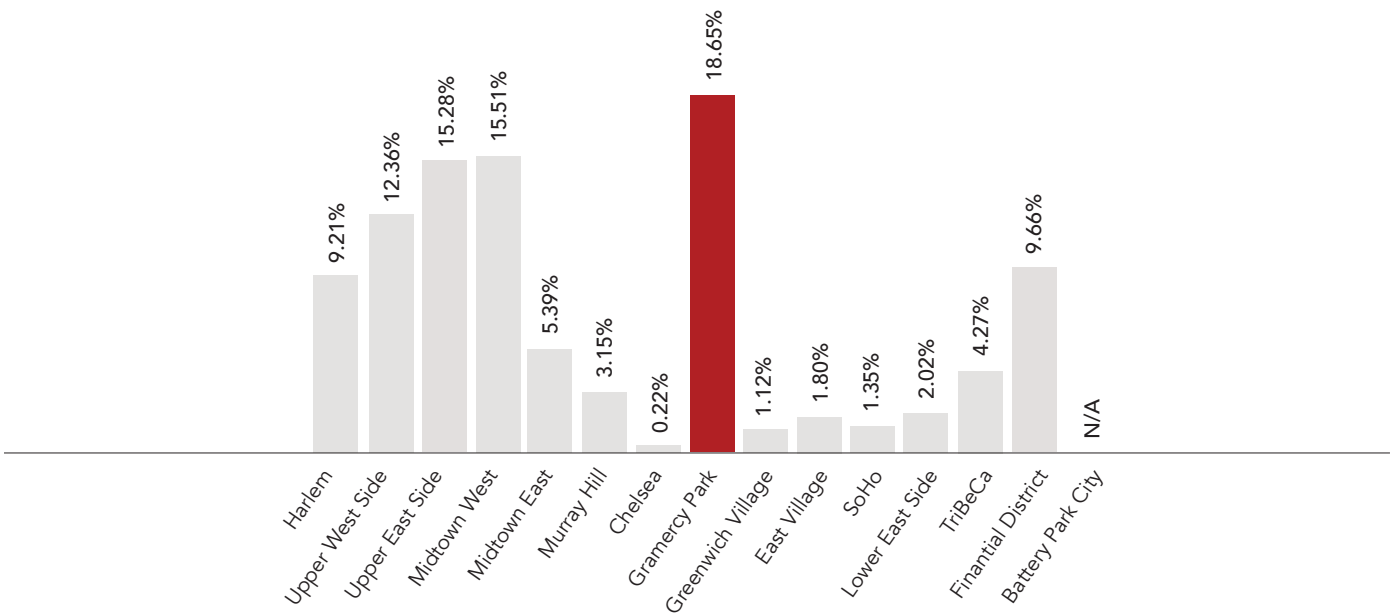


3Q17 Median Sales Price By Neighborhood

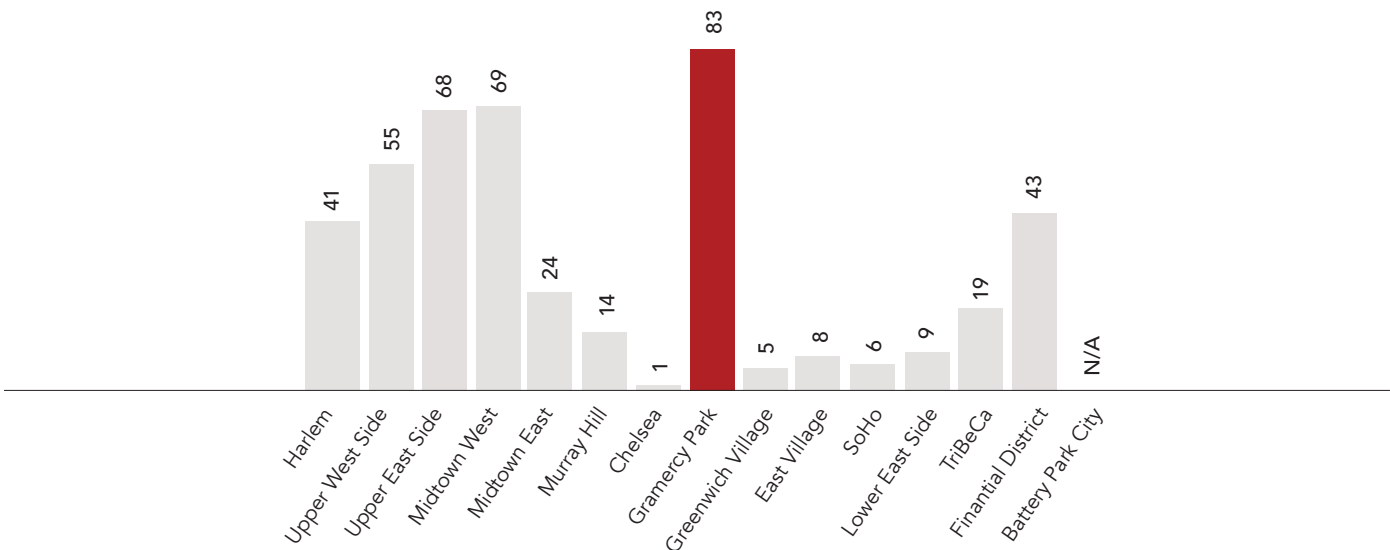


MARKET SNAPSHOT

3Q17 % Of Total Sponsor Sales - Borough-Wide



Number of Units Sold in 3Q17



MANHATTAN

3Q17 Unit Mix Of New Development Sales

Studios **7%**
1 Bedrooms **26%**
2 Bedrooms **37%**
3 Bedrooms **30%**

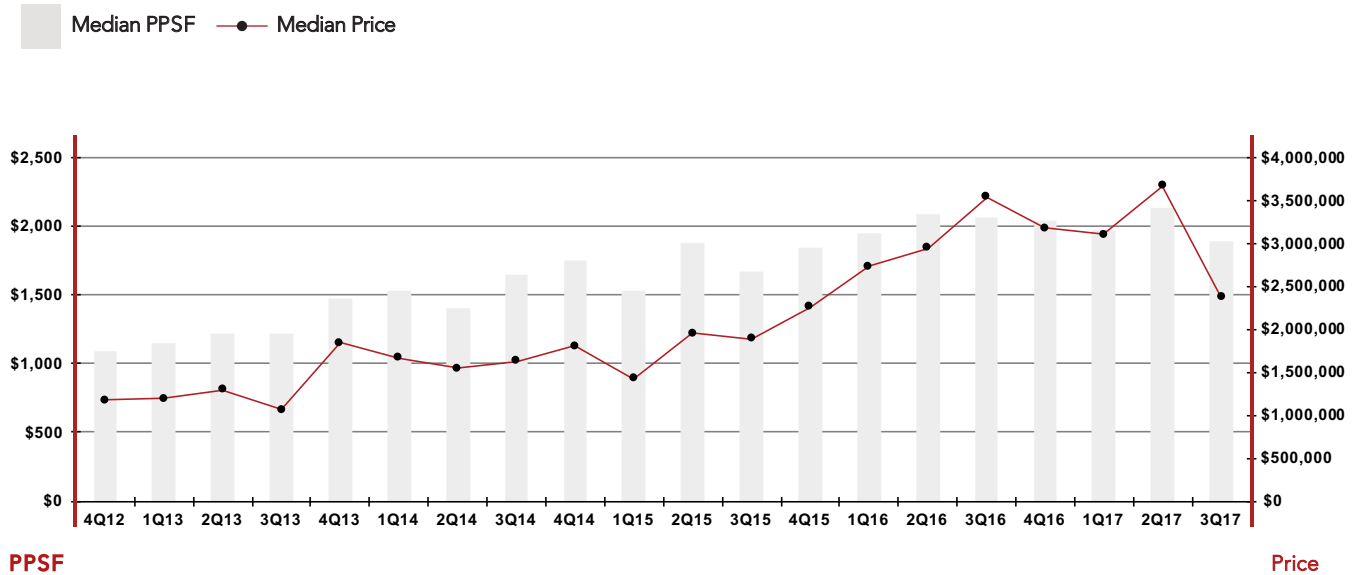
Median PPSF

\$1,894

Median Sales Price

\$2,371,444

Manhattan Quarterly Tracking



BATTERY PARK CITY

Battery Park City PPSF By Unit Size (N/A/SF Median)

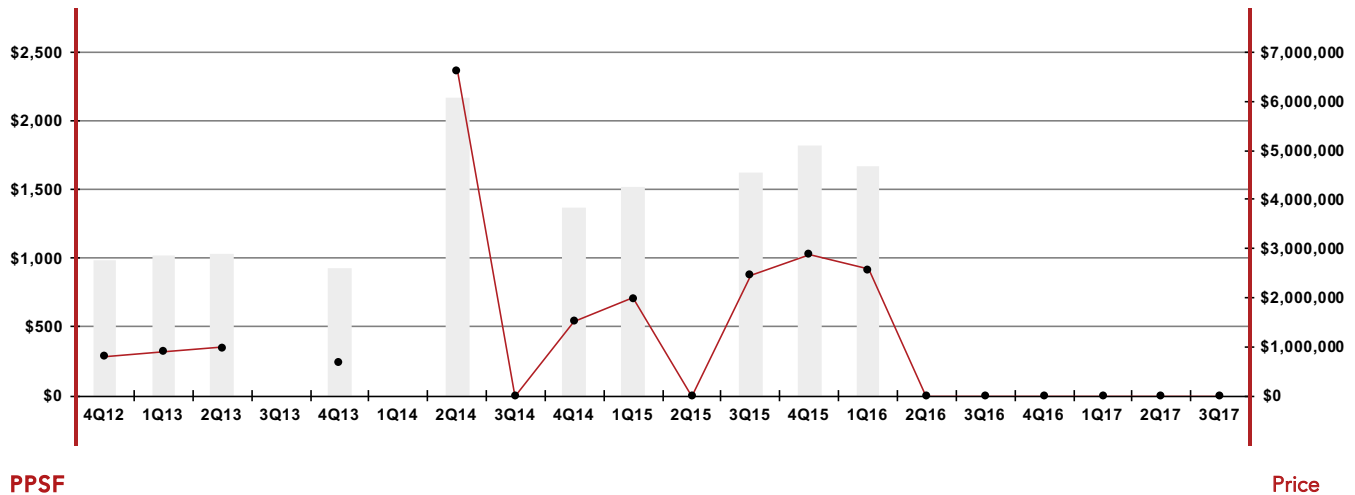
Studios **N/A**
1 Bedrooms **N/A**
2 Bedrooms **N/A**
1500+ SF **N/A**

% Of Sales Within Battery Park City

Studios **N/A**
1 Bedrooms **N/A**
2 Bedrooms **N/A**
1500+ SF **N/A**

Battery Park City Quarterly Tracking

Median PPSF ● Median Price



CHELSEA

Chelsea PPSF By Unit Size (\$1,821/SF Median)

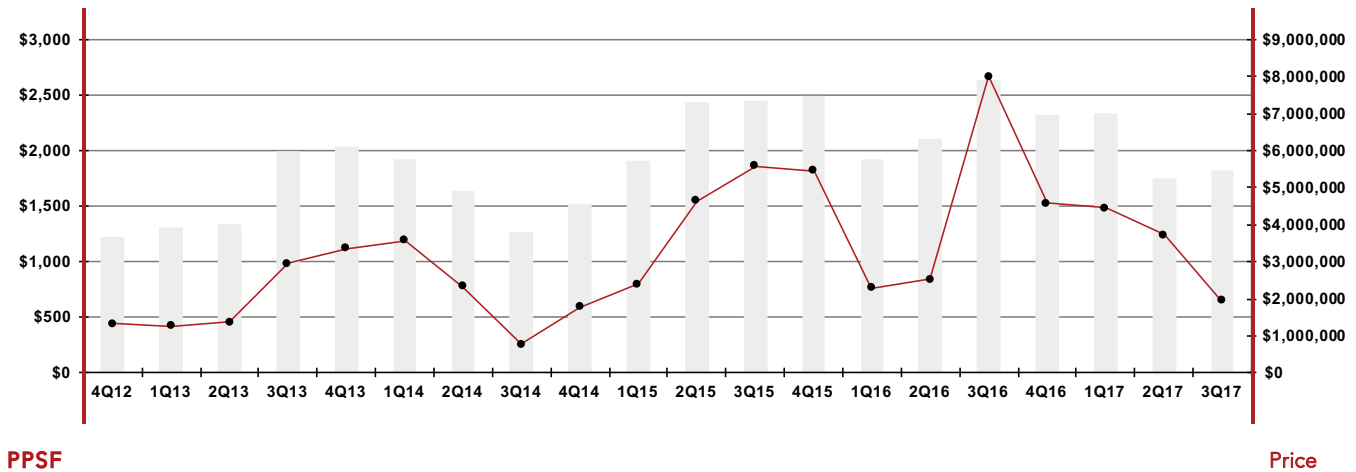
Studios **N/A**
1 Bedrooms **\$1,821**
2 Bedrooms **N/A**
1500+ SF **N/A**

% Of Sales Within Chelsea

Studios **N/A**
1 Bedrooms **100%**
2 Bedrooms **N/A**
1500+ SF **N/A**

Chelsea Quarterly Tracking

Median PPSF — Median Price



EAST VILLAGE

East Village PPSF By Unit Size (\$1,810/SF Median)

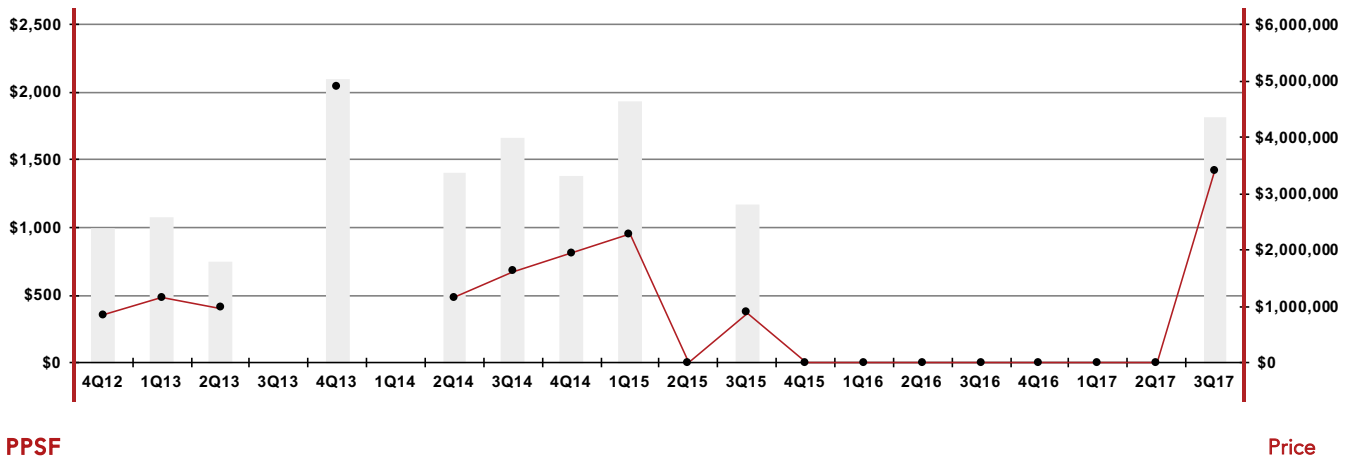
Studios **\$986**
1 Bedrooms **N/A**
2 Bedrooms **\$1,859**
1500+ SF **\$1,942**

% Of Sales Within East Village

Studios **25%**
1 Bedrooms **N/A**
2 Bedrooms **63%**
1500+ SF **13%**

East Village Quarterly Tracking

Median PPSF ● Median Price



PPSF

Price

FINANCIAL DISTRICT

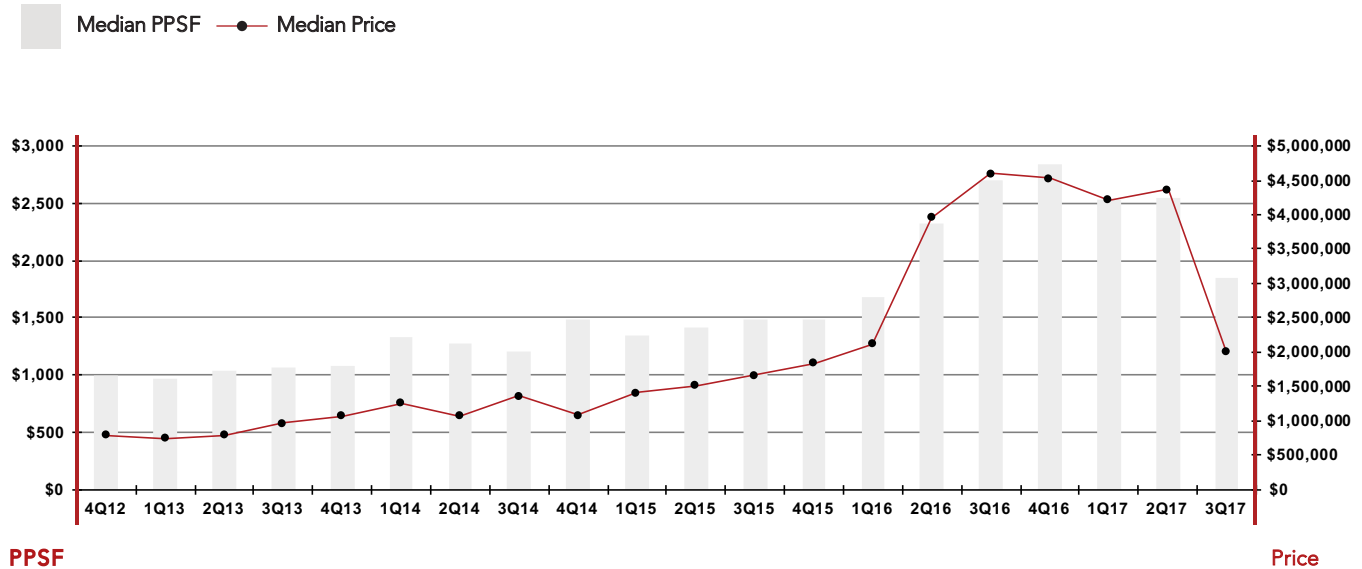
Financial District PPSF By Unit Size (\$1,850/SF Median)

Studios **\$1,454**
1 Bedrooms **\$1,800**
2 Bedrooms **\$1,925**
1500+ SF **\$2,197**

% Of Sales Within Financial District

Studios **2%**
1 Bedrooms **47%**
2 Bedrooms **23%**
1500+ SF **28%**

Financial District Quarterly Tracking



GRAMERCY PARK

Gramercy Park PPSF By Unit Size (\$2,884/SF Median)

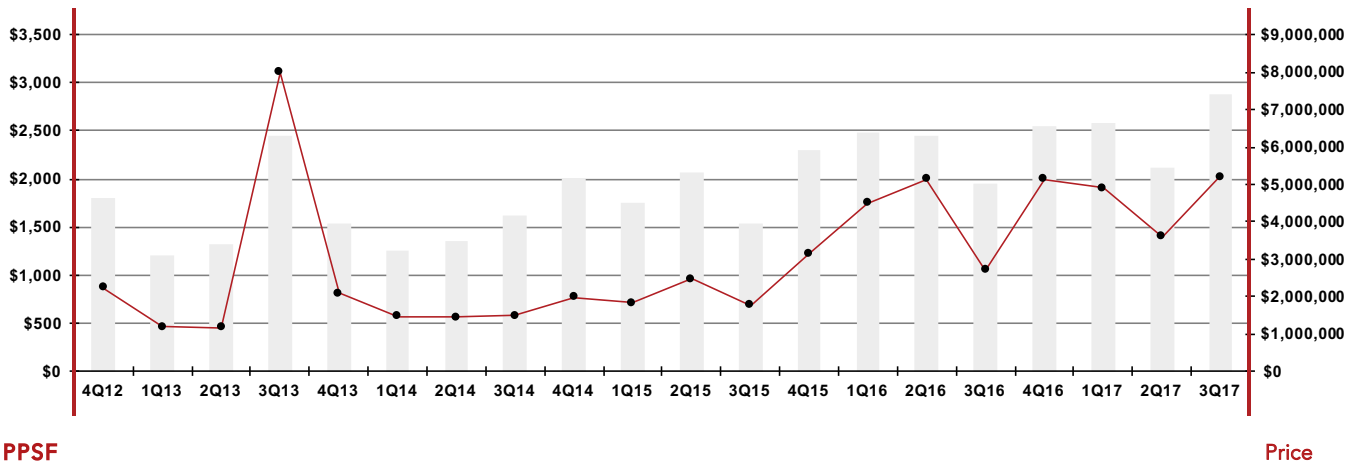
Studios **\$1,655**
1 Bedrooms **\$1,726**
2 Bedrooms **\$3,269**
1500+ SF **\$3,050**

% Of Sales Within Gramercy Park

Studios **1%**
1 Bedrooms **27%**
2 Bedrooms **42%**
1500+ SF **30%**

Gramercy Park Quarterly Tracking

Median PPSF ● Median Price



GREENWICH VILLAGE

Greenwich Village PPSF By Unit Size (\$2,781/SF Median)

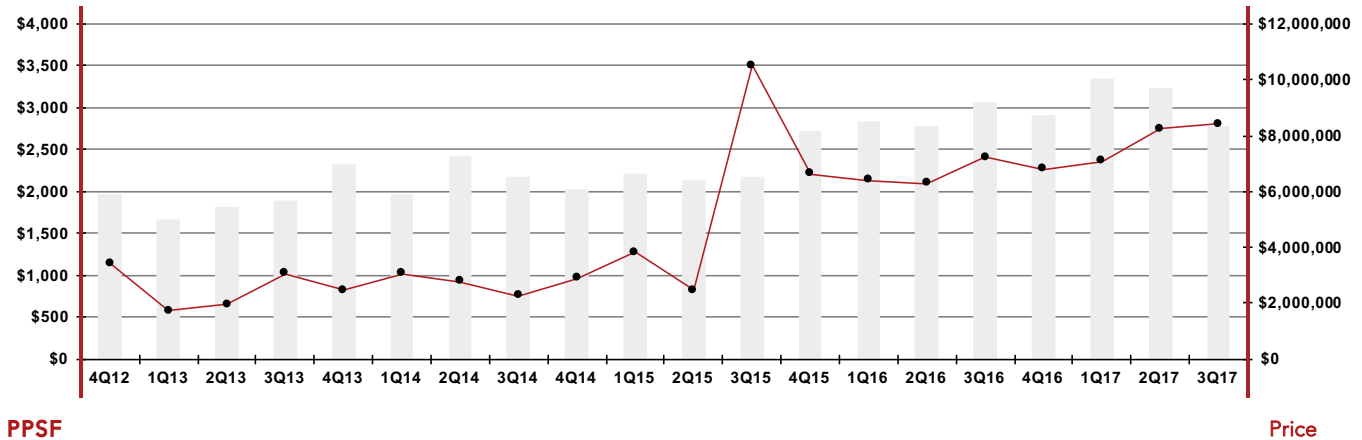
Studios **N/A**
1 Bedrooms **N/A**
2 Bedrooms **N/A**
1500+ SF **\$2,781**

% Of Sales Within Greenwich Village

Studios **N/A**
1 Bedrooms **N/A**
2 Bedrooms **N/A**
1500+ SF **100%**

Greenwich Village Quarterly Tracking

Median PPSF ● Median Price



PPSF

Price

HARLEM

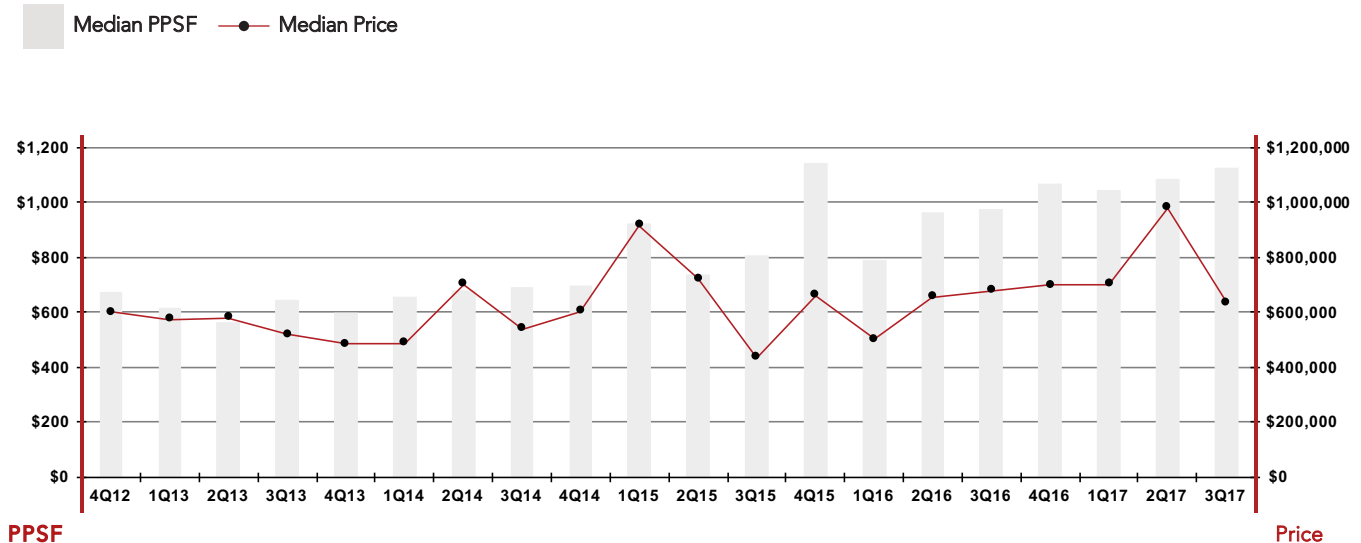
Harlem PPSF By Unit Size (\$1,127/SF Median)

Studios **\$1,030**
1 Bedrooms **\$1,351**
2 Bedrooms **\$1,084**
1500+ SF **\$2,196**

% Of Sales Within Harlem

Studios **46%**
1 Bedrooms **24%**
2 Bedrooms **20%**
1500+ SF **10%**

Harlem Quarterly Tracking



LOWER EAST SIDE

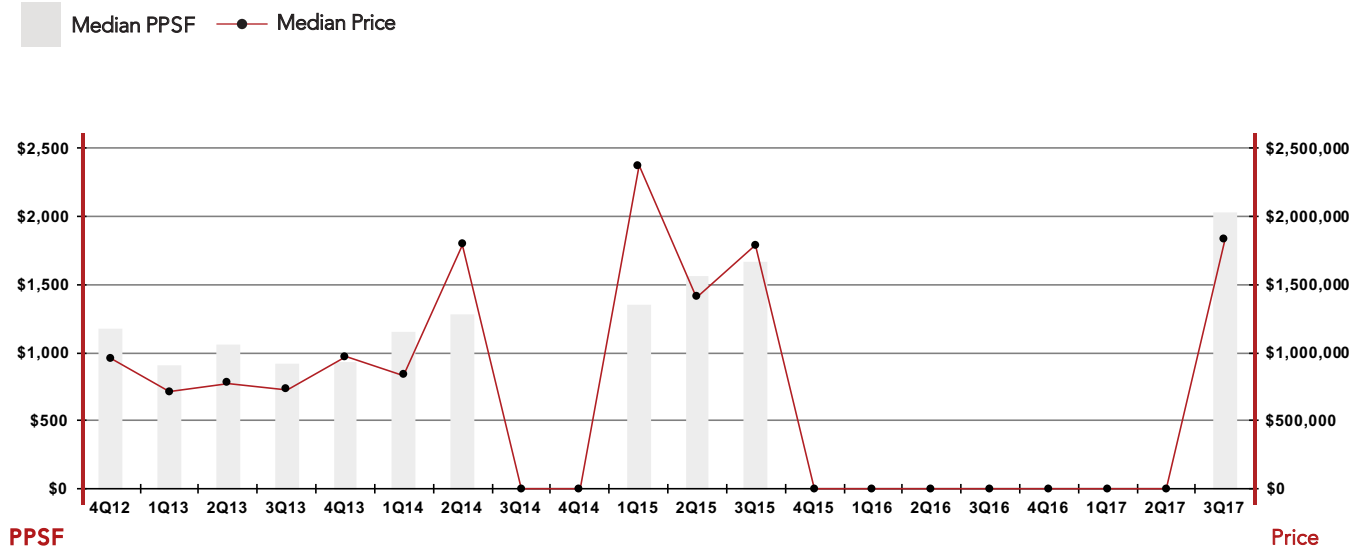
Lower East Side PPSF By Unit Size (\$2,030/SF Median)

Studios **N/A**
1 Bedrooms **\$1,997**
2 Bedrooms **\$2,030**
1500+ SF **N/A**

% Of Sales Within Lower East Side

Studios **N/A**
1 Bedrooms **44%**
2 Bedrooms **56%**
1500+ SF **N/A**

Lower East Side Quarterly Tracking



MIDTOWN EAST

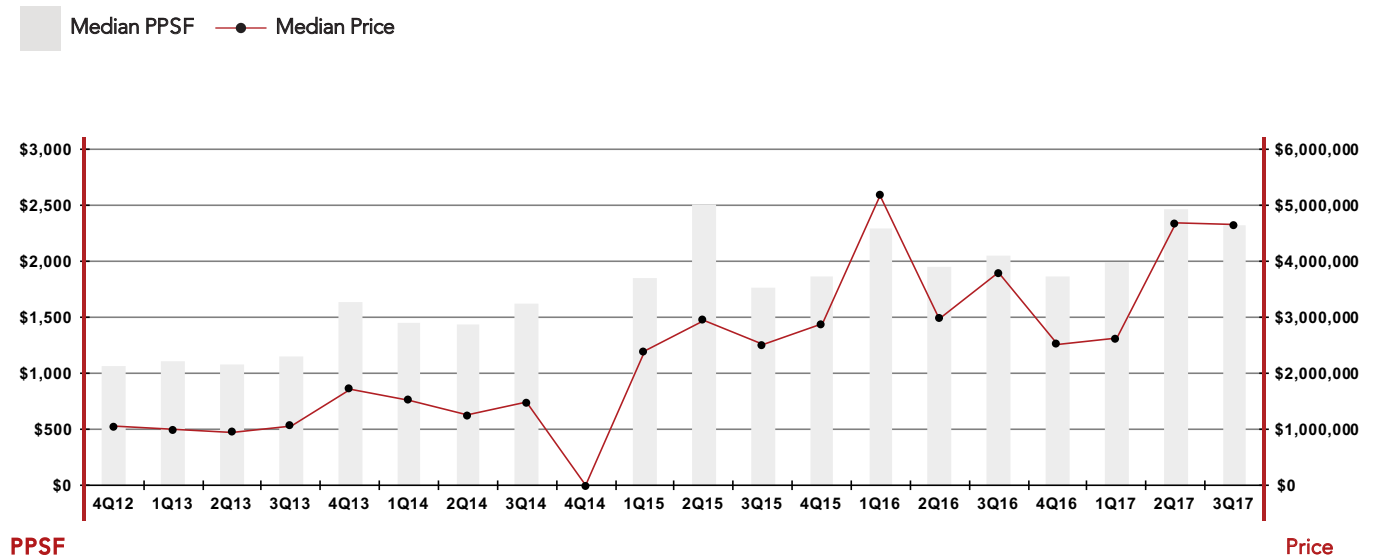
Midtown East PPSF By Unit Size (\$2,324/SF Median)

Studios **\$2,953**
1 Bedrooms **\$2,897**
2 Bedrooms **\$2,258**
1500+ SF **\$2,506**

% Of Sales Within Midtown East

Studios **8%**
1 Bedrooms **8%**
2 Bedrooms **25%**
1500+ SF **58%**

Midtown East Quarterly Tracking



MIDTOWN WEST

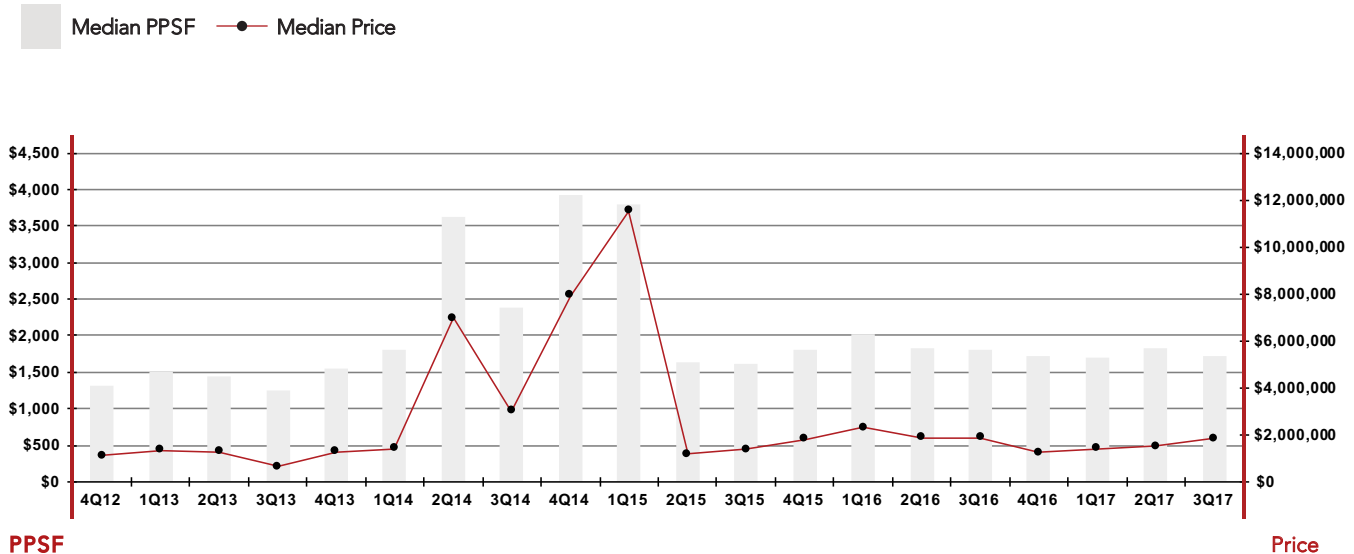
Midtown West PPSF By Unit Size (\$1,731/SF Median)

Studios **\$2,427**
1 Bedrooms **\$2,350**
2 Bedrooms **\$1,645**
1500+ SF **\$1,891**

% Of Sales Within Midtown West

Studios **1%**
1 Bedrooms **33%**
2 Bedrooms **51%**
1500+ SF **14%**

Midtown West Quarterly Tracking



MURRAY HILL

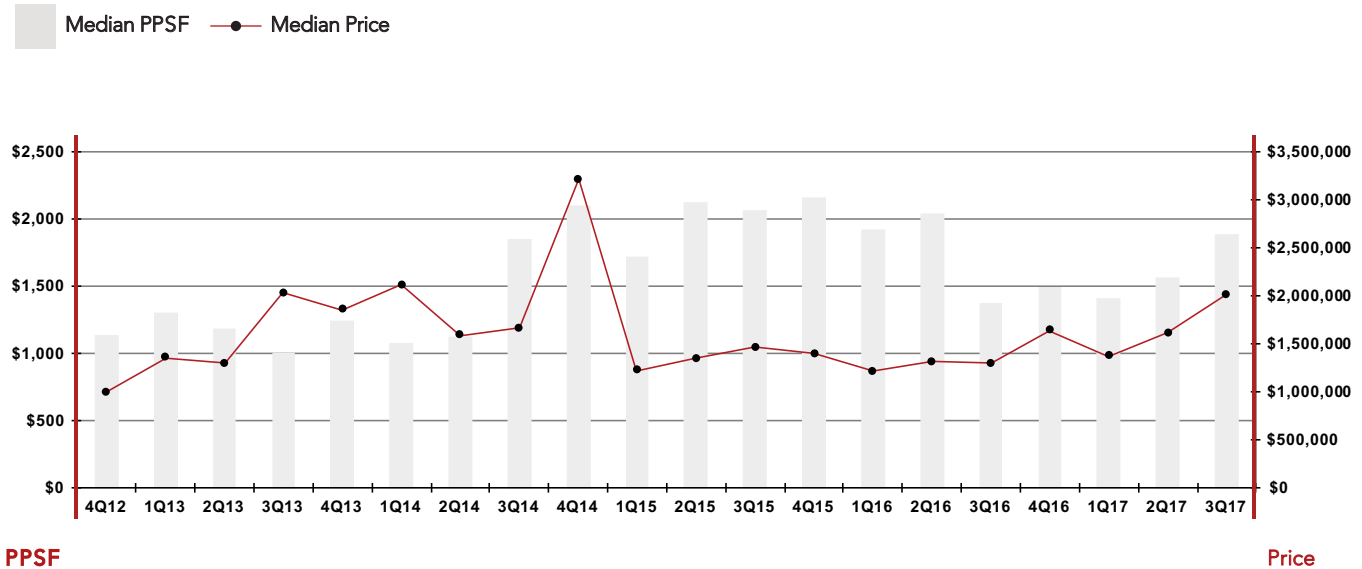
Murray Hill PPSF By Unit Size (\$1,893/SF Median)

Studios **N/A**
1 Bedrooms **\$1,354**
2 Bedrooms **\$2,031**
1500+ SF **\$2,417**

% Of Sales Within Murray Hill

Studios **N/A**
1 Bedrooms **50%**
2 Bedrooms **36%**
1500+ SF **14%**

Murray Hill Quarterly Tracking



SOHO

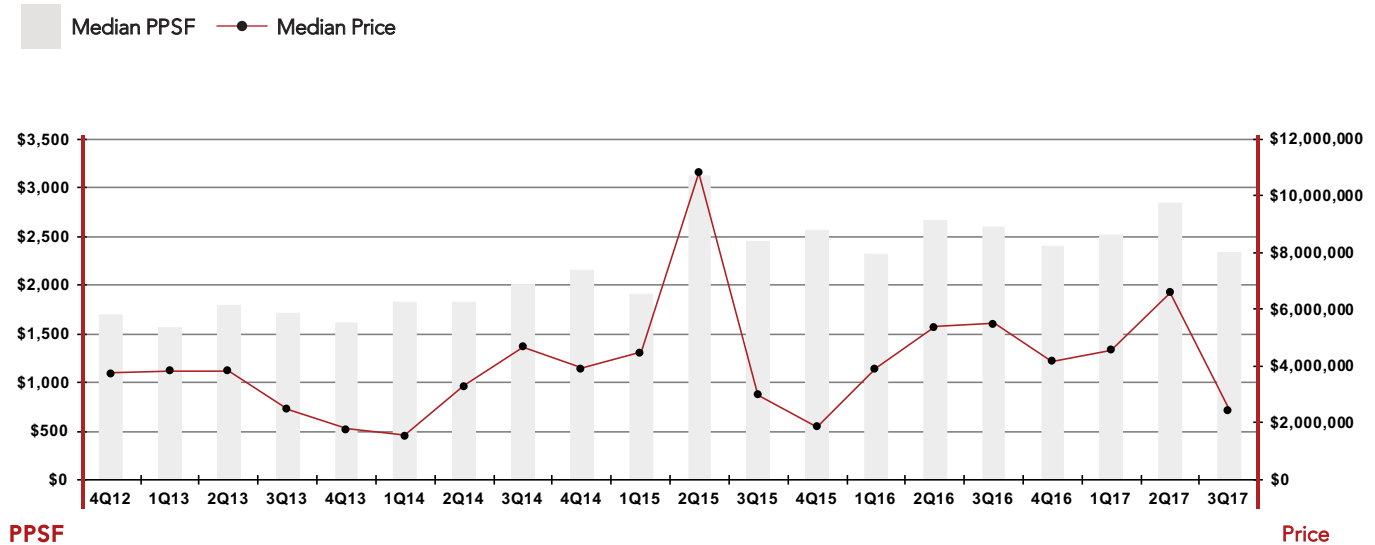
SoHo PPSF By Unit Size (\$2,334/SF Median)

Studios **\$1,594**
1 Bedrooms **\$2,334**
2 Bedrooms **\$4,534**
1500+ SF **\$1,259**

% Of Sales Within SoHo

Studios **17%**
1 Bedrooms **17%**
2 Bedrooms **17%**
1500+ SF **50%**

SoHo Quarterly Tracking



TRIBECA

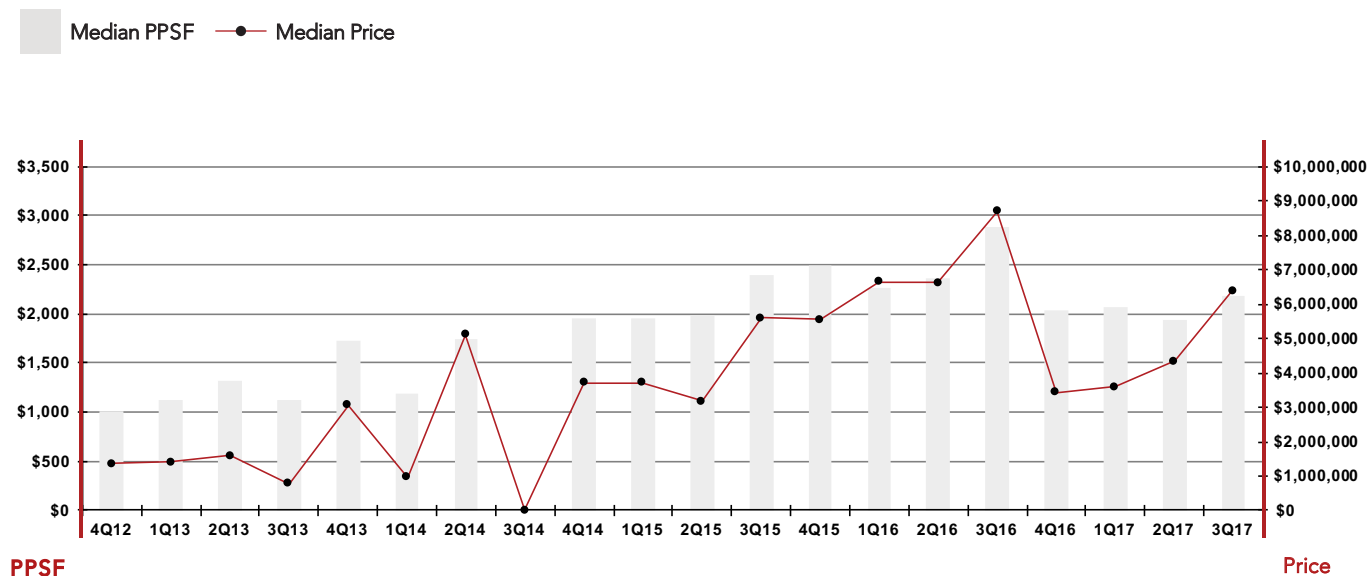
TriBeCa PPSF By Unit Size (\$2,178/SF Median)

Studios **\$2,225**
1 Bedrooms **N/A**
2 Bedrooms **\$1,989**
1500+ SF **\$2,182**

% Of Sales Within TriBeCa

Studios **11%**
1 Bedrooms **N/A**
2 Bedrooms **5%**
1500+ SF **84%**

TriBeCa Quarterly Tracking



UPPER EAST SIDE

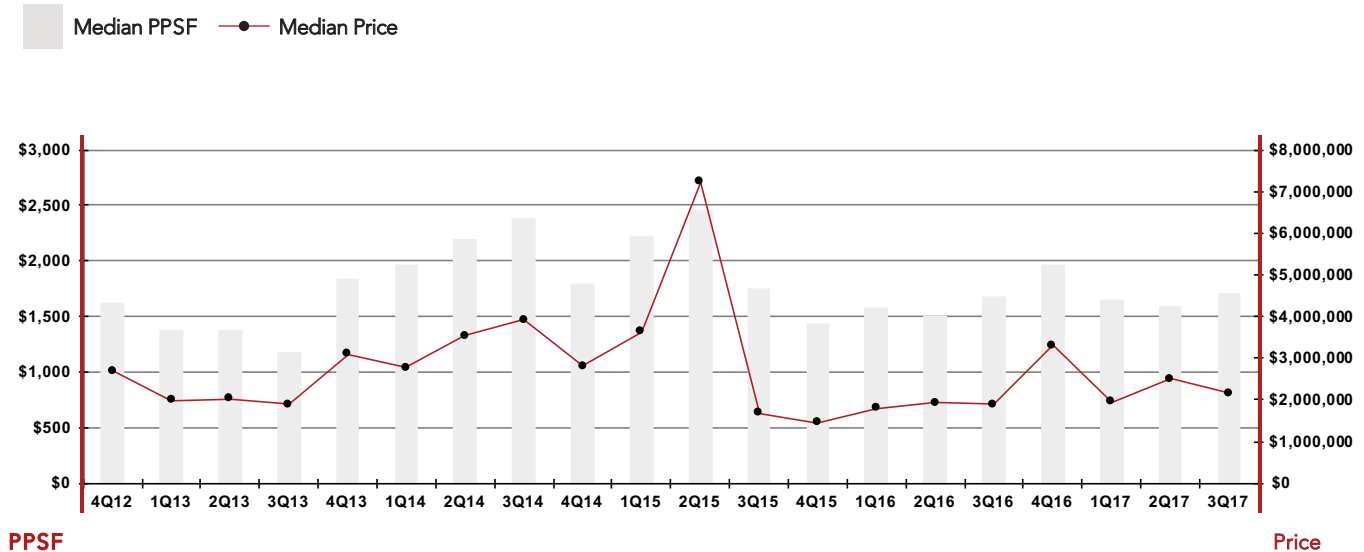
Upper East Side PPSF By Unit Size (\$1,707/SF Median)

Studios **\$1,382**
1 Bedrooms **\$1,514**
2 Bedrooms **\$1,704**
1500+ SF **\$2,340**

% Of Sales Within Upper East Side

Studios **6%**
1 Bedrooms **22%**
2 Bedrooms **49%**
1500+ SF **24%**

Upper East Side Quarterly Tracking



UPPER WEST SIDE

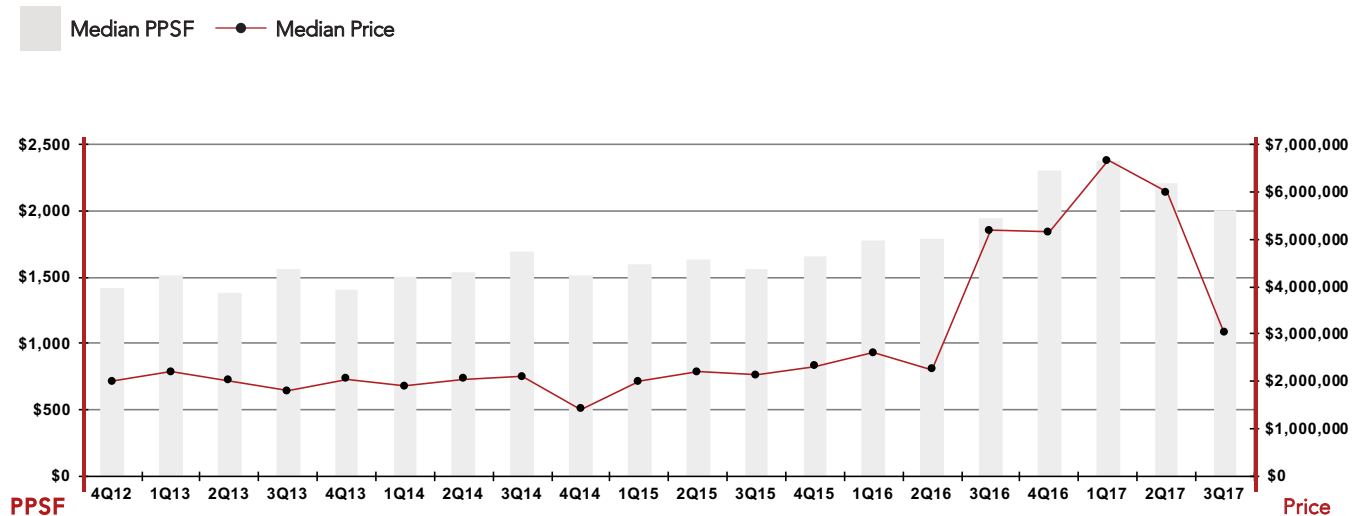
Upper West Side PPSF By Unit Size (\$2,003/SF Median)

Studios **N/A**
1 Bedrooms **\$1,759**
2 Bedrooms **\$2,034**
1500+ SF **\$2,027**

% Of Sales Within Upper West Side

Studios **N/A**
1 Bedrooms **16%**
2 Bedrooms **40%**
1500+ SF **44%**

Upper West Side Quarterly Tracking



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, one-bedrooms, and two-bedroom units are grouped by square footage ranges. Studios are under 700 square feet, one-bedrooms are under 900 square feet, and two-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 7,000 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 into 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.

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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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