



**WOHLFARTH  
& ASSOCIATES, INC.**

REAL ESTATE

# Market Perspectives for January 2017

## 4th Quarter 2016 Statistics



A shift from a sellers' market to a buyers' market was the biggest story of 2016. The fourth quarter confirmed what just about everyone in our industry had seen coming over the course of the year. October and early November saw the market virtually grind to a halt, but once the shock of the election subsided, buyers slowly became active again. Properties that had no interest were suddenly receiving offers, with some multiple bids occurring.

Some of the trends we observed during this quarter were:

- The number of closings fell approximately 35% from the same period in 2015.
- By December, activity was rising in all sectors of the market. Well-priced listings, and even some that had been lingering on the market, saw activity during this quarter.
- It appears that the market was responding to anticipation of a pro-business administration arriving in Washington in January. The luxury market saw a dramatic upturn in activity. We are not sure what effect the Trump presidency will have on the market in the long run.
- In new development projects, there is still an oversupply, resulting in developers offering discounts and paid closing costs.
- Smaller apartments drove the market in all boroughs.
- 2016 was a year of multiple price drops as buyers gained the upper hand.
- The rental market continued to soften in all sectors.
- There was competitive bidding in Brooklyn and prices have risen to a point where many buyers are considering turning back to Manhattan for better values.
- Mortgage rates spiked in December but have dropped back slightly.
- The successful opening of the Second Avenue subway has begun to add value to properties East of Third Avenue.

We wish you a Happy New Year and look forward to serving you in 2017.

#### 4th Quarter Statistics:

- The average price of a coop resale was \$1,230,000.
- The average price of a condo resale was \$2,062,000.
- The average price of a new development condo was \$4,890,000.
- The average price of the overall luxury market was \$8,650,000.
- The average price per square foot for a coop was \$1,225.00.
- The average price per square foot for a condominium was \$1,750.00.
- The average price per square foot for a new development (all of Manhattan) was \$2,790.00.
- The average price per square foot for the luxury market (top 10%) was \$3,050.00.



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