



WOHLFARTH
& ASSOCIATES, INC.

REAL ESTATE

Market Perspectives for April 2016

1st Quarter 2016 Statistics

During the 1st quarter of 2016, we observed some changes in the market. Inventory increased somewhat, but remains at an all-time low, as many properties entering the market quickly entered contract. Prices remained strong in the more affordable price ranges. The trends that we noticed are:

- Open house attendance increased, especially in the \$2,000,000 and under range. Apartments in this price range with at least two bedrooms are still in very high demand, with multiple bids and sales well above asking price still common. Even properties needing significant work are selling quickly if they have other desirable features.
- In the \$2,000,000 to \$3,000,000 range, buyers are still avoiding properties that need work. New or recent renovations are in demand and can still sell quickly.
- Properties in the \$3,000,000 to \$10,000,000 range are much less likely to see multiple bids or sale prices above asking. This market is shifting in favor of buyers.
- Closed sales of new development are affecting data and skewing sale price statistics, and are expected to do so for some time to come. It is very important when pricing a property to use sale prices for truly comparable properties and not rely on averages.
- In Manhattan, the highest inventory is East of Third Avenue, from Midtown to the Upper East Side, creating opportunities for buyers priced out of other areas.
- Job growth in New York surged in the first quarter, in the fields of health care, education, and professional and business services. Tourism is up, and the city's economy is robust. Wall Street bonuses, however, were down 6% in 2015. Buyer confidence seems to be improving, as the stock market has recovered from the losses in the previous quarter, but there is still fear of volatility.
- Mortgage rates fell slightly and will likely not see any increase in the near future.
- Choosing the most knowledgeable broker, whether you are buying or selling, is the key to success in this market, as correct pricing is critical.

1st Quarter Statistics:

- The average price of a coop resale was \$1,330,000.
- The average price of a condo resale was \$2,075,000.
- The average price of a new development condo was \$4,025,000.
- The average price of the overall luxury market was \$8,090,000.
- The average price per square foot for a coop was \$1,236.00.
- The average price per square foot for a condominium was \$1,780.00.
- The average price per square foot for a new development (all of Manhattan) was \$2,380.00.
- The average price per square foot for the luxury market (top 10%) was \$2,680.00.





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