



Market Perspectives for July 2015

2nd Quarter 2015 Statistics



In the 2nd quarter of 2015, we experienced a continuation of the trend from previous quarters, with modest price increases and continued falling inventory. Here is what we observed during the quarter:

- The average sale price in Manhattan hit a new high, driven by sales of super-luxury condominiums. The media have given many sellers the impression that they can demand, and get, outrageous prices. However, this is not true in the more affordable segments of the market, where buyers are prepared to accept moderate increases but do not have unlimited budgets. At the same time, many high-end condos, those priced above \$10,000,000, have languished on the market, with few showings, giving prospective buyers an opportunity for the first time in several years to negotiate on price.
- Properties in the under-\$2,000,000 range were most likely to generate multiple bids, unless they were overpriced. This is the strongest and most competitive segment of the market.
- The number of sales has fallen for the fourth consecutive quarter, due to the continuing lack of inventory and fewer listings coming to market.
- The Brooklyn and Queens markets also continued the trend toward higher prices and lower inventory, with a relentless push eastward as the areas closer to Manhattan become out of reach to many buyers. It is now possible to find lower prices in some parts of Manhattan than in the prime areas of Brooklyn, for similar properties.
- While it may seem like everything is selling instantly, we are also noticing a drop in the number of serious buyers. Open houses are mobbed, but most of those attending are either curiosity seekers, are very new to the market and just exploring the possibilities, or have unrealistic expectations of what they can get in their price range. For the most part, they would like to buy but are currently renting and are not under pressure to move.

2nd Quarter Statistics:

- The average price of a coop resale was \$1,320,000.
- The average price of a condo resale was \$2,050,000.
- The average price of a new development condo was \$3,720,000.
- The average price of the overall luxury market was \$7,971,000.
- The average sale price per square foot for a coop was \$1,160.00.
- The average sale price per square foot for a condominium was \$1,710.00.
- The average sale price per square foot for a new development (all of Manhattan) was \$2,425.00.
- The average sale price per square foot for the luxury market was \$2,790.00.
- The average sale price for the loft market was \$2.871M or \$1,562.00 per square foot.
- The average sale price for the luxury market (top 10%) was \$8,183,000 or \$2,550 per square foot.

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