



WOHLFARTH  
& ASSOCIATES, INC.

REAL ESTATE

# Market Perspectives for July 2016

## 2nd Quarter 2016 Statistics

The second quarter of 2016 continued to follow the trends we saw in the previous quarter. Inventory remained fairly constant, but an increase in new listings coming on the market resulted in more choices for serious buyers. Again, most of these quickly entered contract, therefore having little impact on overall inventory. Here is what we have observed:

- Prices in Manhattan and Brooklyn increased slightly.
- Inventory rose slightly in Manhattan but fell in Brooklyn.
- Price appreciation is starting to lose momentum and is expected to slow considerably over the next twelve months. Some media reports are giving the misleading impression that a significant drop in market prices is on the horizon. The reality is that we have entered a more normal market, in which pace and pricing are still solid, but properties may take longer to sell as inventory increases.
- Two-bedroom apartments under \$2,000,000 were the strongest segment in most of Manhattan.
- Upper Manhattan was the hottest segment of the market. While prices there have increased at a much higher rate than in the rest of Manhattan over the last several years, there is still enough of a price difference to attract buyers who are priced out of other areas.
- Mortgage rates are at an all-time low and are expected to remain so for the next few months.
- Job growth in New York continued, with over 9,000 jobs in construction alone.
- The potential effects of the presidential election, Brexit and terrorist attacks are still unknown, but do not seem likely to cause upheaval in the New York City market. More likely, global instability may push more foreign buyers to invest here.
- More than ever, correct pricing and proactive marketing are the keys to achieving the highest sale price.

### 2nd Quarter Statistics:

- The average price of a coop resale was \$1,300,000.
- The average price of a condo resale was \$2,159,000.
- The average price of a new development condo was \$4,383,000.
- The average price of the overall luxury market was \$8,623,000.
- The average price per square foot for a coop was \$1,330.00.
- The average price per square foot for a condominium was \$2,075.00.
- The average price per square foot for a new development (all of Manhattan) was \$2,580.00.
- The average price per square foot for the luxury market (top 10%) was \$2,975.00.





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