



WOHLFARTH  
& ASSOCIATES, INC.

REAL ESTATE

# Market Perspectives for October 2016

## 3rd Quarter 2016 Statistics



In the beginning of the third quarter, we experienced a slowdown in the market, which is normal for that time of year, with few new listings, and many buyers taking a break for the summer. Open house attendance was low. Inventory increased due to new development, not resales, keeping the resale inventory low. In September, there was a flurry of new listings, reflecting sellers' concerns about putting their properties on the market during the summer, but also giving encouraging signs for the fall market. Here are some of the trends we observed:

- Sales have decreased 18% from this period last year.
- There have been much fewer instances of multiple bids, with only 17% of properties selling above the asking price.
- New development inventory grew by almost 30% in this quarter, and though it accounts for only 12% of the market, it still continues to skew the average sale prices.
- Many developers are moving product into the \$1,000,000 to \$3,000,000 range, where there are more buyers.
- The market has been somewhat distorted by the unusual sales volume in prior quarters and is now beginning to correct itself.
- The absorption rate, the average time it takes to sell a property, has increased from 5 months a year ago to 6 months currently.
- There is an oversupply in the higher end of the market, but not at the lower end, where there are still many buyers.
- Mortgage rates remain at an all-time low.
- Concern over the coming election is causing some buyers and sellers to hold off.
- As we always emphasize, correct pricing and proactive marketing are the keys to achieving the highest sale price.

### 3rd Quarter Statistics:

- The average price of a coop resale was \$1,290,000.
- The average price of a condo resale was \$2,050,000.
- The average price of a new development condo was \$4,410,000.
- The average price of the overall luxury market was \$7,765,000.
- The average price per square foot for a coop was \$1,290.00.
- The average price per square foot for a condominium was \$1,745.00.
- The average price per square foot for a new development (all of Manhattan) was \$2,475.00.
- The average price per square foot for the luxury market (top 10%) was \$2,780.00.





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