

## Brooklyn Residential Sales Market Report

Third Quarter 2017



# Contents

Third Quarter 2017

## 3 *Overview*

## 4/7 *Marketwide*

- 4 Sales
- 5 Inventory
- 6 Prices
- 7 Market Share

## 8 *Resale Co-ops*

## 9 *Resale Condos*

## 10 *New Developments*

## 11 *Luxury*

## 12/19 *Neighborhoods*

- 12 Williamsburg & Greenpoint
- 13 Brooklyn Heights, Cobble Hill, Dumbo & Downtown
- 14 Park Slope & Gowanus
- 15 Fort Greene, Clinton Hill & Prospect Heights
- 16 Carroll Gardens, Boerum Hill & Red Hook
- 17 Bedford-Stuyvesant, Crown Heights, Lefferts Gardens & Bushwick
- 18 Kensington, Windsor Terrace, Ditmas Park, Flatbush & Prospect Park South
- 19 South Brooklyn

## 20 *Methodology*



# Brooklyn Residential Sales Market Report



Third Quarter 2017

## Q3 2017 REPORT

### Overview

This quarter the insatiable demand for home ownership in Brooklyn was confirmed. Buyers not only responded favorably to Brooklyn's building boom, but the speed at which both new construction and resale apartments were absorbed this quarter was striking. Third Quarter 2017 proved to be the strongest quarter for closings since 2008.

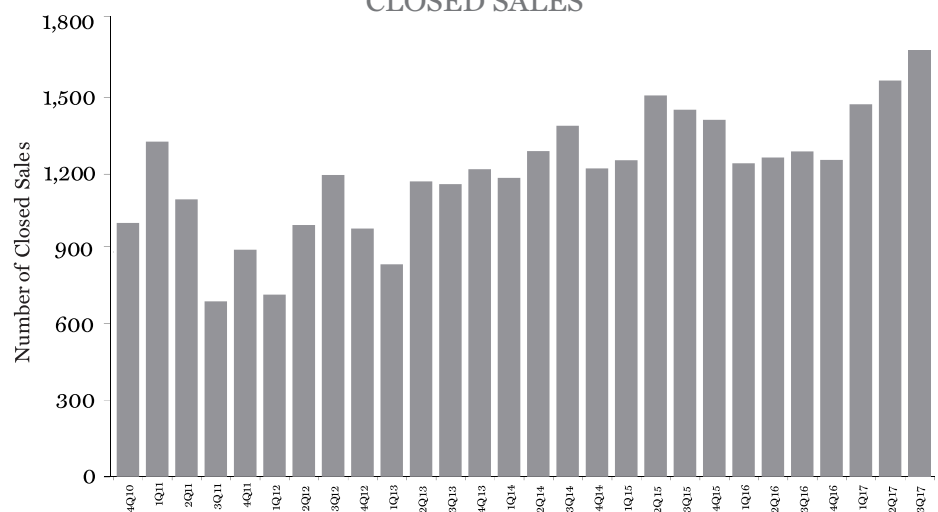
Buyers continued to expand their neighborhood selections at various price segments of the market. The \$1,000,000 to \$2,000,000 price range claimed more sales than any other prior quarter, as did sales in the \$500,000 to \$750,000 as new offerings in South Brooklyn motivated buyers. Sellers have struggled to keep up with the pace and consequently, there were large declines in inventory throughout all of 2017.

Sales rose 31% versus a year ago despite 13% fewer listings overall. New development sales more than doubled last year's figure and resale co-ops had their strongest quarter in four years. Resale condo sales rose 3% compared to an already strong Third Quarter 2016. Finally, there were 15% more contracts signed during Third Quarter relative to a year ago.

Brooklyn's median price reached \$733,000, 13% higher than last year's figure and just 2% below last quarter's nine-year record high. Median price in nearly all neighborhoods in Brooklyn had year-over-year price gains. Average price was down 4% from last year, the result of a shift in market share of sales away from Brooklyn's priciest neighborhoods and towards South Brooklyn.

Brooklyn	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Closed Sales	1,670	1,272	31%	1,549	8%
Contracts Signed	1,061	923	15%	1,186	-11%
Inventory	1,952	2,236	-13%	1,723	13%
Months of Supply	4.0	5.2	-24%	3.7	6%
Average Days on Market	70	69	1%	78	-10%
<i>Prices</i>					
Median Price	\$733K	\$650K	13%	\$745K	-2%
Average Price	\$856K	\$888K	-4%	\$923K	-7%
Median PPSF	\$988	\$896	10%	\$958	3%
Average PPSF	\$961	\$935	3%	\$968	-1%
<i>Median Price by Bedroom</i>					
Studio	\$469K	\$455K	3%	\$526K	-11%
1 Bedroom	\$660K	\$613K	8%	\$710K	-7%
2 Bedroom	\$913K	\$995K	-8%	\$960K	-5%
3+ Bedroom	\$1.453M	\$1.850M	-21%	\$1.845M	-21%

CLOSED SALES



# Brooklyn Residential Sales Market Report



Third Quarter 2017

## MARKETWIDE

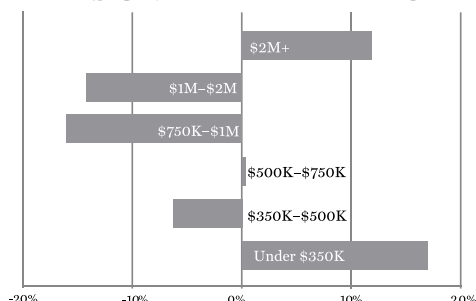
### Sales

Buyer demand continues to be exceedingly strong in Brooklyn. There were 1,670 closings this quarter, 31% higher than Third Quarter 2016 and the strongest quarter since 2008. The third quarter is typically the strongest quarter of the year with contracts from the Spring selling season closing and this quarter all product types contributed to improved sale figures.

Resale co-op closings finally increased following six consecutive quarters of year-over-year declines. The result was the strongest quarter for co-op sales in four years. The resale condo market improved 3% compared to a strong Third Quarter 2016. Overall sales this quarter were strengthened further by new development closings as several large-scale properties were ready for move-ins. In fact, new development closings during the first three quarters of this year have already exceeded every full year of new development closings since 2011.

Contract activity also increased year-over-year, driven in part by new development introductions given that resale inventory remains constricted. The annual gain in contract activity was 15% but the figure was down 11% versus Second Quarter 2017.

YEAR-OVER-YEAR  
DAYS ON MARKET BY PRICE



Brooklyn	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Total Sales	1,670	1,272	31%	1,549	8%
Resale Co-ops	692	536	29%	550	26%
Resale Condo	584	566	3%	528	11%
New Development	394	170	132%	471	-16%
Contracts Signed	1,061	923	15%	1,186	-11%
<i>Days on Market</i>					
Average Days on Market	70	69	1%	78	-10%
<i>Days on Market by Type</i>					
Resale Co-ops	71	66	9%	83	-14%
Resale Condo	68	73	-6%	72	-6%
<i>Days on Market by Bedroom</i>					
Studio	84	59	42%	66	28%
1 Bedroom	72	72	0%	73	-4%
2 Bedroom	65	65	-1%	83	-23%
3+ Bedroom	74	78	-5%	80	-7%
<i>Days on Market by Price</i>					
Under \$350K	113	97	17%	105	8%
\$350K to \$500K	72	77	-7%	95	-24%
\$500K to \$750K	66	66	0%	76	-13%
\$750K to \$1M	53	63	-16%	57	-7%
\$1M to \$2M	53	61	-14%	65	-18%
\$2M+	82	73	12%	101	-19%

### Days on Market

The length of time between list date and contract date in Brooklyn tightened relative to the most recent peak at the start of the year. The increase versus a year ago was minimal following four consecutive quarters of growing time on market. Listed resale apartments had buyer commitments in an average of 70 days. Resale condos had a decline in days on market, but co-ops took longer to sell compared to a year ago. This is likely due to lingering listings finally selling as evidenced by the rise in sales. Resale apartments priced at the extreme ends

of the market (under \$350,000 and over \$2,000,000) sat longer on the market compared to a year ago. Two bedroom residences in Brooklyn found buyers the fastest, followed by one bedrooms.

DAYS ON MARKET



# Brooklyn Residential Sales Market Report



Third Quarter 2017

## MARKETWIDE

### Inventory

Inventory in Brooklyn declined 13% versus Third Quarter 2016 and has now decreased year-over-year for three consecutive quarters. There were 1,952 listings available as of the end of Third Quarter 2017, 60% of which were condos.

The year-over-year decrease was driven by both condo and co-op listings but considerably more by co-ops. There were 18% fewer co-ops available for sale during Third Quarter 2017 compared to a year ago, the second lowest level in seven years. Overall condo inventory was 9% below the same period a year ago, a drop that was offset by an influx of new development listings. There were 6% more new development units on the market versus Third Quarter 2016.

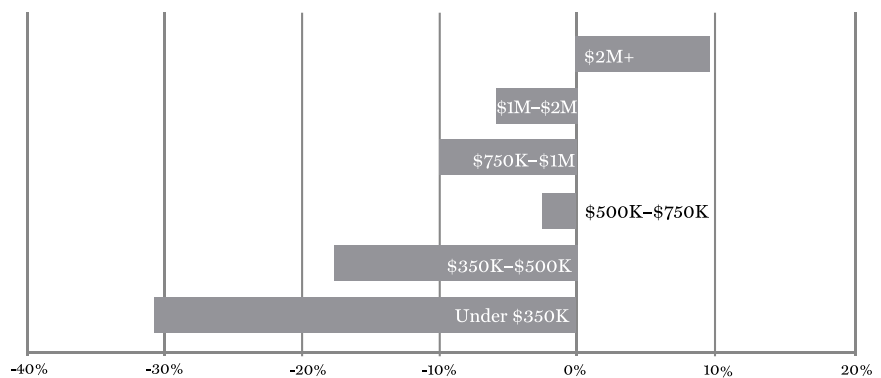
By price, inventory over \$2,000,000 was the only category to have a year-over-year increase. There was an additional 9% of listings in this price range compared to last year. Listings at the low end, both under \$350,000 and between \$350,000 and \$500,000 had the steepest drops in inventory compared to Third Quarter 2016, a trend seen throughout all of 2017.

### Months of Supply

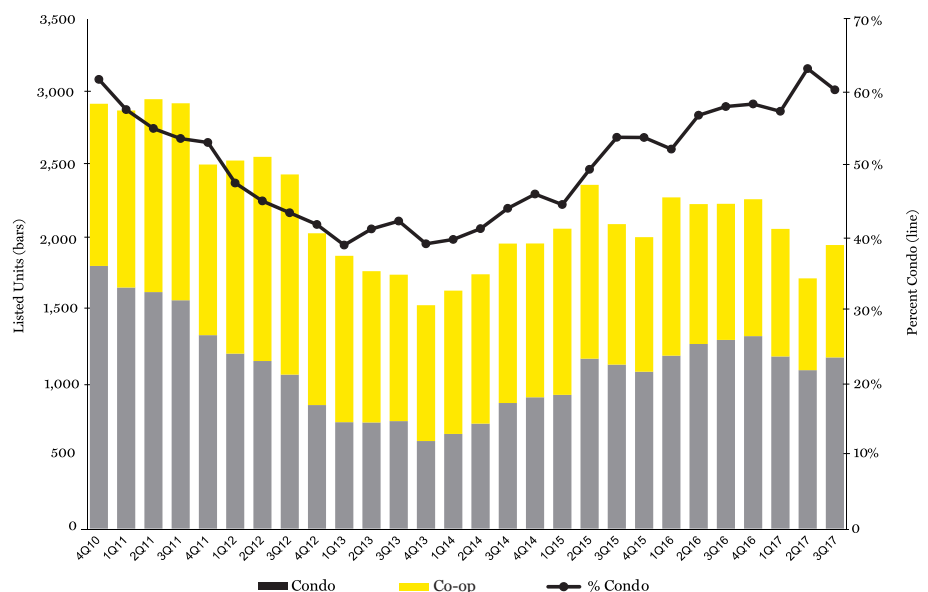
Based on closed sales from the last year and current listed inventory levels, Brooklyn has 4.0 months of supply. This figure indicates an under-supplied market and one that decreased by over a month compared to last year at this time. This was due to an increase in sales and a drop in inventory. Compared to Second Quarter 2017, months of supply is slightly higher. New development has the lowest months of supply given the robust number of closings that has occurred in the past twelve months.

All Sales	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Inventory</i>					
Marketwide	1,952	2,236	-13%	1,723	13%
Resale Co-ops	773	937	-18%	632	22%
Resale Condos	674	824	-18%	604	12%
New Development	505	475	6%	487	4%
<i>Months of Supply</i>					
Marketwide	4.0	5.2	-24%	3.7	6%
Resale Co-ops	4.1	4.8	-16%	3.6	14%
Resale Condos	4.1	4.9	-17%	3.7	11%
New Development	3.7	7.3	-50%	4.1	-10%

### ANNUAL CHANGE IN INVENTORY BY PRICE



### LISTED CO-OP & CONDO INVENTORY



# Brooklyn Residential Sales Market Report



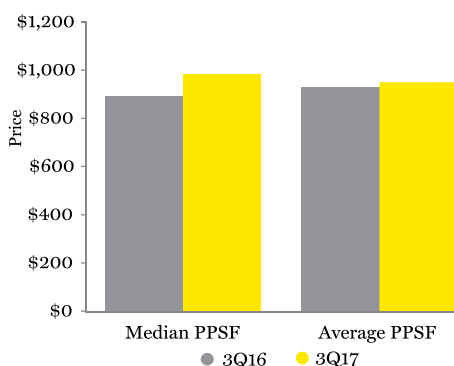
Third Quarter 2017

## MARKETWIDE

### Prices

Brooklyn prices continue to push upward but price growth eased compared to prior quarters' gains. The median price of \$733,000 was 13% greater year-over-year but dipped 2% from last quarter's record high figure. This quarter, resale condo median price reached a nine-year record high, which gave strength to the overall market figure. Resale co-op median price was 3% below last year's nine-year record high figure and up 5% versus last quarter. New development median price dipped 10% from last year as South Brooklyn gained market share, skewing median price lower.

### YEAR-OVER-YEAR PRICE CHANGE



Average price was 4% below Third Quarter 2016, driven in part by an increase in market share of sales in South Brooklyn and a sharp decline in market share of sales in Dumbo / Brooklyn Heights. Average price per square foot rose just 3% from last year to \$961 per square foot, which was nearly level with last quarter's figures. Again, the resale condo

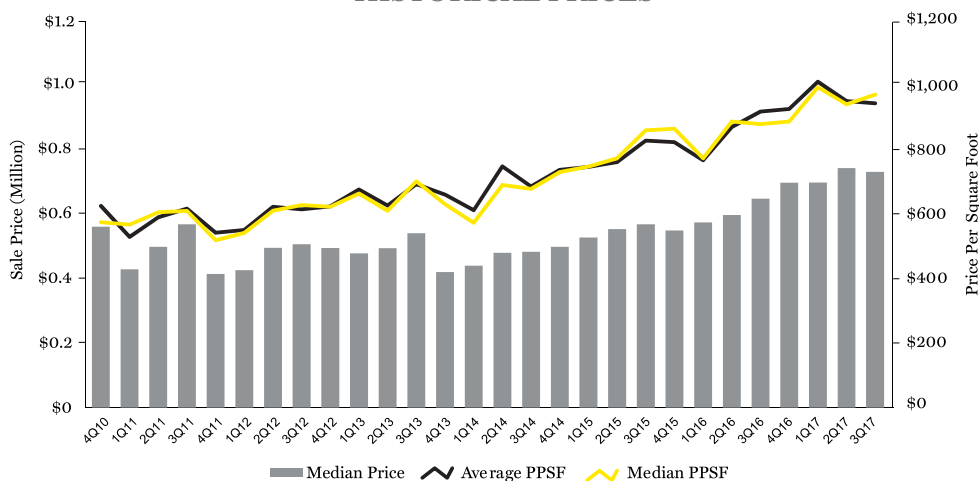
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Median PPSF	\$988	\$896	10%	\$958	3%
Average PPSF	\$961	\$935	3%	\$968	-1%
<i>Median Price by Type</i>					
Resale Co-ops	\$425K	\$437K	-3%	\$405K	5%
Resale Condo	\$863K	\$804K	7%	\$806K	7%
New Development	\$899K	\$999K	-10%	\$956K	-6%
<i>Median Price by Bedroom</i>					
Studio	\$469K	\$455K	3%	\$526K	-11%
1 Bedroom	\$660K	\$613K	8%	\$710K	-7%
2 Bedroom	\$913K	\$995K	-8%	\$960K	-5%
3+ Bedroom	\$1.453M	\$1.850M	-21%	\$1.845M	-21%

market compelled this increase as new development and resale coop average price per square foot declined.

Median price gains occurred in smaller residences this quarter, with

studio and one bedroom median price rising 3% and 8%, respectively. Two and three plus bedrooms residences both had annual median price declines.

### HISTORICAL PRICES



# Brooklyn Residential Sales Market Report



Third Quarter 2017

## MARKETWIDE

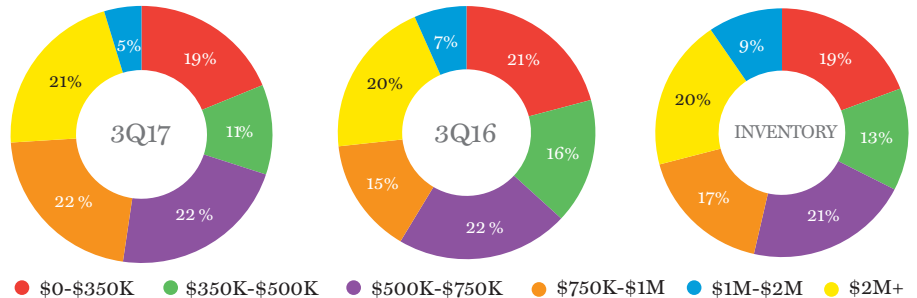
### Market Share

Comparing the market share of sales to active listings yields notable differences that can affect buyer's searches and seller's sales efforts, as supply and demand may or may not match. Here we compare market share of sales and inventory by various measures.

### Price Point

The most notable shift in sales by price point was the loss of market share of sales at the low end. All price points under \$500,000 lost market share while sales between \$500,000 and \$2,000,000 gained market share. Sales between \$750,000 and \$1,000,000 claimed an additional 7% market share, outpacing both last year's sales and current inventory.

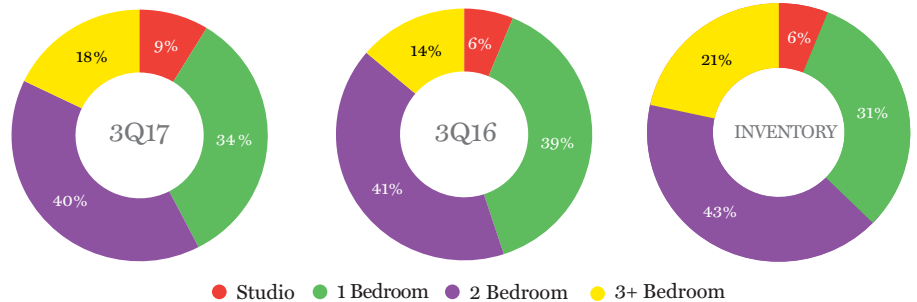
#### PRICE POINT



### Bedrooms

Three plus bedrooms had the largest divergence in market share of sales versus last year, claiming 18% of buyers this year compared to 14% last year. Studios claimed 9% of sales but represent just 6% of listings. Market share of sales this quarter mimics the distribution of current inventory plus or minus three percent.

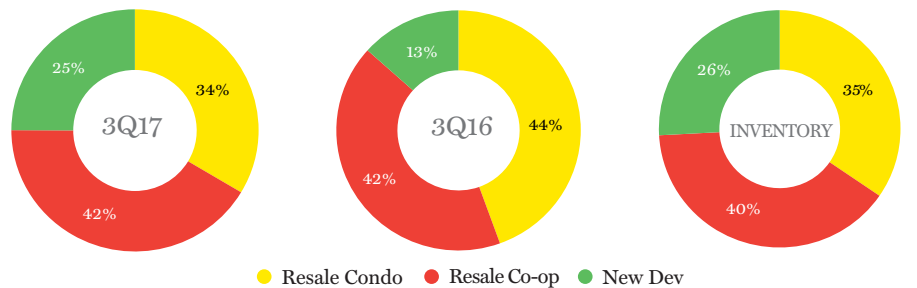
#### BEDROOMS



### Property Type

With market share of resale co-ops equal to last year, resale condo and new development displayed the largest shifts. Versus Third Quarter 2016, new development sales increased in market share while resale condos claimed fewer buyers.

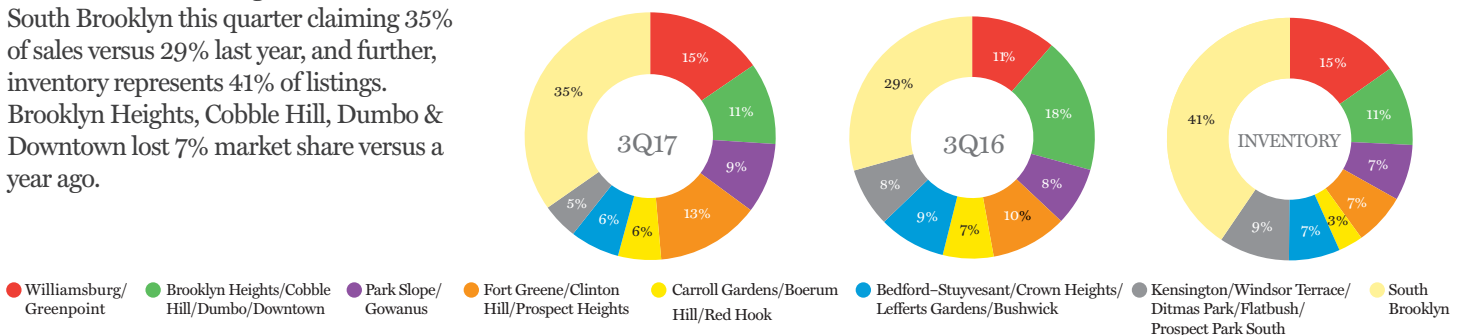
#### PROPERTY TYPE



### Neighborhood

Market share of sales grew the most in South Brooklyn this quarter claiming 35% of sales versus 29% last year, and further, inventory represents 41% of listings. Brooklyn Heights, Cobble Hill, Dumbo & Downtown lost 7% market share versus a year ago.

#### NEIGHBORHOOD



# Brooklyn Residential Sales Market Report



Third Quarter 2017

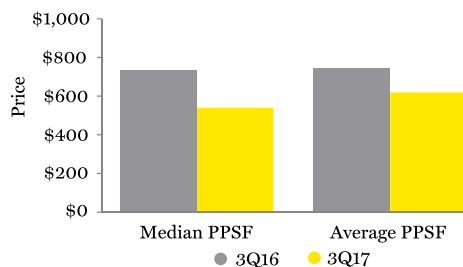
## RESALE CO-OPS

Resale co-op closings were 29% higher year-over-year and 26% higher than Second Quarter 2017. This was the strongest quarter for co-ops since Fourth Quarter 2014. With borough-wide pressure on prices, buyers were attracted to the relative value of co-ops, particularly in South Brooklyn, which accounted for 48% of co-op sales.

Resale co-op inventory has declined year-over-year during eight of the past nine quarters and is now 45% below the peak in Second Quarter 2012. Days on market increased compared to last year as lingering listings finally found buyers.

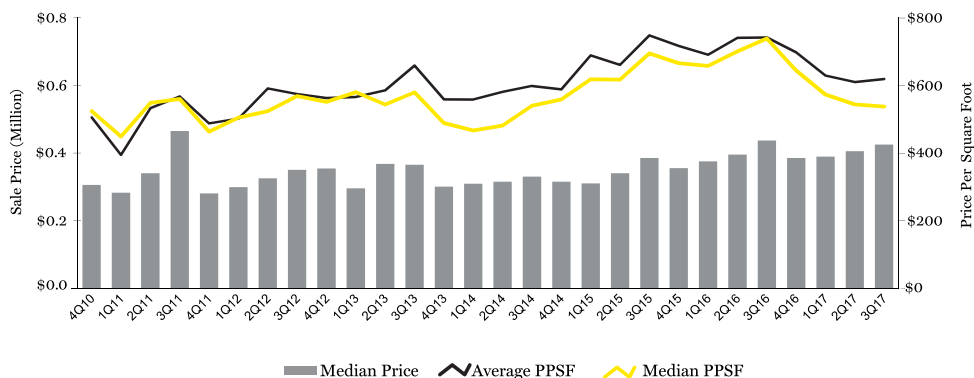
Resale Co-ops	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Sales	692	536	29%	550	26%
Average Days on Market	71	66	9%	83	-14%
Inventory	773	937	-18%	632	22%
Months of Supply	4.1	4.8	-16%	3.6	14%
<i>Prices</i>					
Median Price	\$425K	\$437K	-3%	\$405K	5%
Average Price	\$550K	\$581K	-5%	\$523K	5%
Median PPSF	\$537	\$739	-27%	\$544	-1%
Average PPSF	\$619	\$742	-17%	\$610	1%
<i>Median Price by Bedroom</i>					
Studio	\$298K	\$390K	-24%	\$345K	-14%
1 Bedroom	\$411K	\$483K	-15%	\$428K	-4%
2 Bedroom	\$725K	\$747K	-3%	\$655K	11%
3+ Bedroom	\$1.050M	\$1.450M	-28%	\$1.273M	-17%

RESALE CO-OP  
YEAR-OVER-YEAR PRICE



Average and median price fell year-over-year for the first time since Third Quarter 2014. Buyers paid an average price of \$550,000, 5% lower than last years' record high figure. Median price was \$425,000, down 3% from a strong Third Quarter 2016. All median price metrics by bedroom type were lower year-over-year and both price per square foot figures were lower compared to last year. The decline in market share of sales in areas such as Brooklyn Heights and Boerum Hill skewed prices lower.

RESALE CO-OP HISTORICAL PRICES





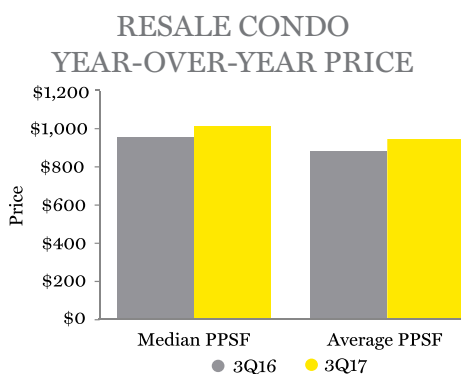
# Brooklyn Residential Sales Market Report



Third Quarter 2017

## RESALE CONDOS

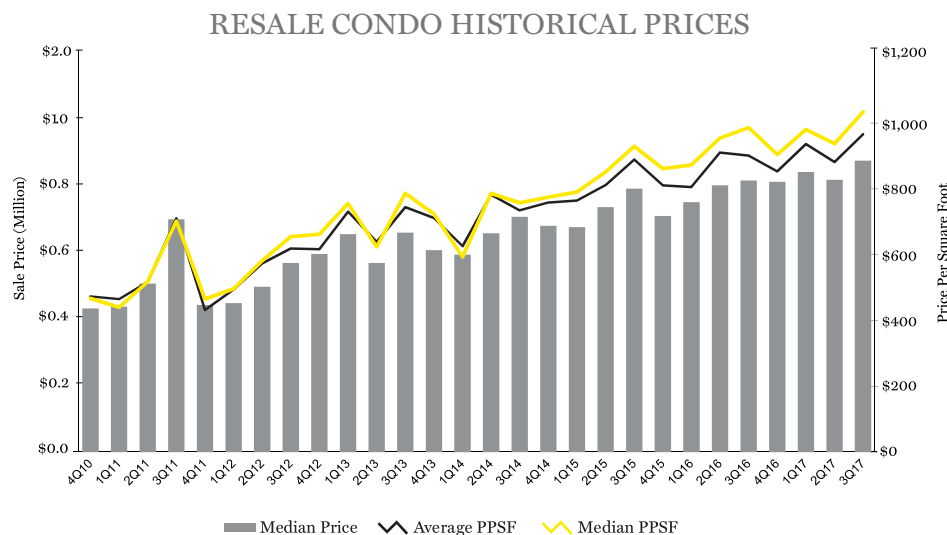
Resale condo closings rose 3% year-over-year and had its' second best Third Quarter performance since 2008. Compared to Second Quarter 2017 resale condo sales grew 11%. All resale condo price metric figures hit nine-year record highs in Third Quarter 2017 and notably, median price per square foot surpassed \$1,000. The resale market is still a relatively value compared to new developments although the gap in median price has shrunk compared to last quarter and last year.



Compared to the same time last year there were 18% fewer apartments available for sale this quarter. As inventory dropped, months of supply fell by 17% versus last year. Marketing time also decreased to 68 days on average, four days less than the average last quarter.

Buyers paid an average price of \$1,015,000 for a resale condo, 9% more than last year and the highest average price in the past nine years. Median price rose 7% year-over-year to \$862,000, and the median price of studios and one bedrooms also displayed similarly modest annual gains.

Resale Condos	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Sales	584	566	3%	528	11%
Average Days on Market	68	73	-6%	72	-6%
Inventory	674	824	-18%	604	12%
Months of Supply	4.1	4.9	-17%	3.7	11%
<i>Prices</i>					
Median Price	\$863K	\$804K	7%	\$806K	7%
Average Price	\$1.015M	\$935K	9%	\$943K	8%
Median PPSF	\$1,007	\$961	5%	\$913	10%
Average PPSF	\$941	\$878	7%	\$859	10%
<i>Median Price by Bedroom</i>					
Studio	\$662K	\$614K	8%	\$640K	3%
1 Bedroom	\$825K	\$787K	5%	\$750K	10%
2 Bedroom	\$1.105M	\$1.150M	-4%	\$1.075M	3%
3+ Bedroom	\$1.300M	\$1.663M	-22%	\$1.473M	-12%



# Brooklyn Residential Sales Market Report

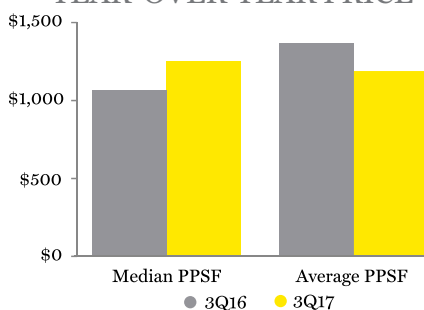


Third Quarter 2017

## NEW DEVELOPMENTS

Numerous new developments commenced closings this quarter, causing higher overall new development sales activity compared to last year. Yet, relative to last quarter, new development sales were 16% lower. This quarter, large-scale properties influenced the market statistics such as 550 Vandербилт, The Vue Condominium, Austin Nichols House and 251 First Street.

### NEW DEVELOPMENT YEAR-OVER-YEAR PRICE

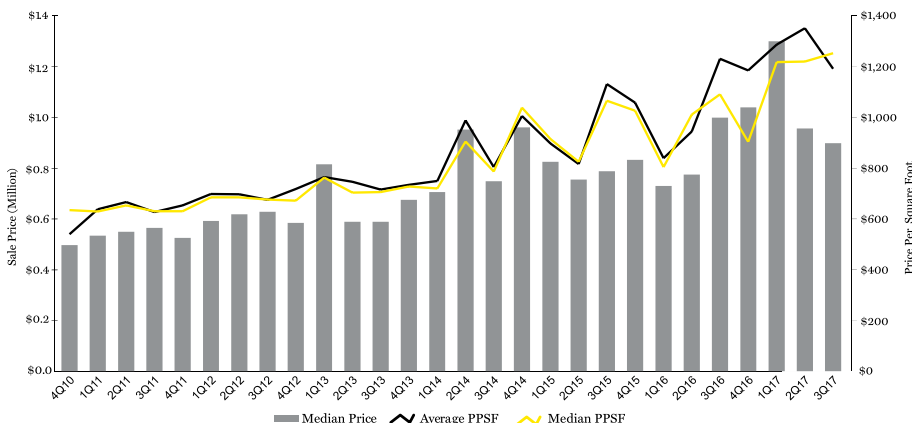


Williamsburg and Greenpoint notably claimed over 30% of the new development market, followed by South Brooklyn, which claimed over 20% of the new development market. Versus last year, Park Slope and Gowanus new development sales activity rose significantly as well.

As a result of the wide-variety of neighborhoods where there were new development sales, price metrics displayed mixed year-over-year trends. Median and average price figures fell by double-digits but saw a double-digit increase for the median price per square foot figure versus this time last year. Median price per square foot reached \$1,253, 15% above Third Quarter 2016 and the highest seen in over nine years. The average price per square foot experienced a modest drop of 3% versus Third Quarter 2016. While one bedroom median price rose 52%, three plus bedroom median price dropped 45% versus last year.

New Developments	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
Sales	394	170	132%	471	-16%
Inventory	505	475	6%	487	4%
Months of Supply	3.7	7.3	-50%	4.1	-10%
<i>Prices</i>					
Median Price	\$899K	\$999K	-10%	\$956K	-6%
Average Price	\$1.153M	\$1.699M	-32%	\$1.366M	-16%
Median PPSF	\$1,253	\$1,091	15%	\$1,220	3%
Average PPSF	\$1,192	\$1,231	-3%	\$1,351	-12%
<i>Median Price by Bedroom</i>					
Studio	\$648K	\$551K	18%	\$590K	10%
1 Bedroom	\$873K	\$575K	52%	\$844K	4%
2 Bedroom	\$1.006M	\$1.188M	-15%	\$1.175M	-14%
3+ Bedroom	\$1.845M	\$3.345M	-45%	\$2.439M	-24%

### NEW DEVELOPMENT HISTORICAL PRICES



# Brooklyn Residential Sales Market Report



Third Quarter 2017

## LUXURY

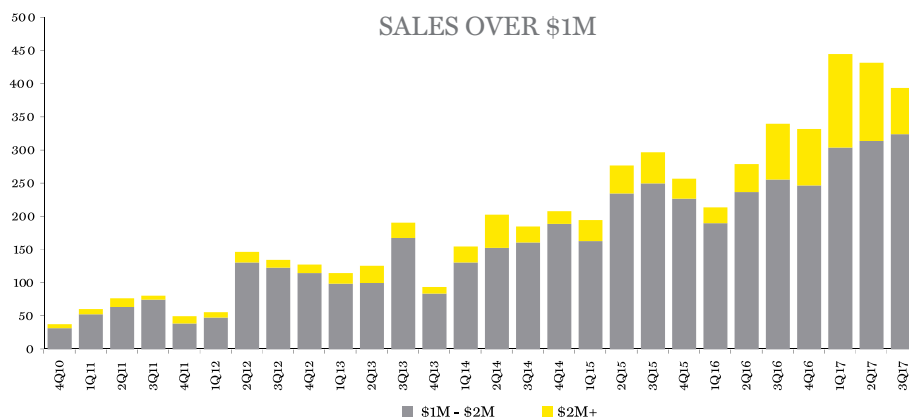
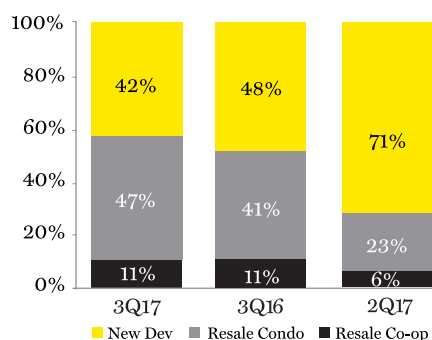
The luxury market is defined as the top 10% of closed sales in terms of price. In Third Quarter 2017 the luxury threshold, which marks the entry point into the luxury category, was \$1,550,000. This was 11% below the threshold in Third Quarter 2016, and 9% below last quarter's figure.

Median price and average price in the luxury segment both dipped by double-digits year-over-year. The falling prices were likely due to the downward shift in market share of new development sales above \$1,550,000. Median and average price per square foot changed minimally compared to Third Quarter 2016 and has been relatively flat throughout all of 2017.

The other notable change in the luxury sector this quarter was the decline in sales over \$2,000,000 compared to recent quarters, suppressing overall pricing. However, the number of sales between \$1,000,000 and \$2,000,000 reached a nine-year record high.

Luxury	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$1.950M	\$2.327M	-16%	\$2.439M	-20%
Average Price	\$2.291M	\$2.830M	-19%	\$2.789M	-18%
Median PPSF	\$1,397	\$1,411	-1%	\$1,444	-3%
Average PPSF	\$1,412	\$1,385	2%	\$1,413	0%
Luxury Threshold	\$1.550M	\$1.749M	-11%	\$1.700M	-9%

### MARKET SHARE OF LUXURY SALES



# Brooklyn Residential Sales Market Report



Third Quarter 2017

## WILLIAMSBURG & GREENPOINT

Sales were up significantly versus a year ago, up 78% and the largest increase in sales activity in the borough.

<i>Annual Change</i>	<b>255</b> <i>Sales</i>	<b>296</b> <i>Inventory</i>	<b>89</b> <i>Days on Market</i>	<b>\$986K</b> <i>Median Price</i>	<b>\$1,258</b> <i>Average PPSF</i>
	<b>+78%</b>	<b>-20%</b>	<b>+20%</b>	<b>+1%</b>	<b>+18%</b>

Closed sales in Williamsburg and Greenpoint jumped 78% compared to last year, the greatest year-over-year gain of any neighborhood this quarter. The increase was driven by a large number of new development closings at Austin Nichols House and 50 Greenpoint Avenue. Inventory fell by 20% versus last year to 296 listings, but still registered the second highest number of active listings in the borough. On average, apartments spent 20% more time on market compared to last year – 89 days this quarter versus 74 days in Third Quarter 2016, likely due to both extended negotiation periods and the impending L-train construction triggering some buyer hesitation.

*Average and median  
condo price figures were  
level versus last year*

Median and average condo price figures were level compared to Third Quarter 2016 at \$995,000 and \$1,161,000, respectively. Average price per square foot increased 19% year-over-year to a record high of \$1,270, driven by new development closings at Austin Nichols House and 50 Greenpoint.

Median price figures for studios and three plus bedrooms increased by 7% and 2%, respectively, while one and two bedrooms median price figures fell by 3% and 4%, respectively.

	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Sales	255	143	78%	197	30%
Average Days on Market	89	74	20%	76	17%
Inventory	296	368	-20%	308	-4%

Co-op	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$411K	\$360K	14%	\$345K	19%
Average Price	\$572K	\$446K	28%	\$373K	53%
Median PPSF	\$632	\$720	-12%	\$982	-36%
Average PPSF	\$723	\$720	0%	\$982	-26%
<i>Median Price by Bedroom</i>					
Studio	N/A	N/A	N/A	N/A	N/A
1 Bedroom	\$425K	\$368K	16%	\$381K	11%
2 Bedroom	\$424K	\$360K	18%	\$668K	-37%
3+ Bedroom	N/A	N/A	N/A	N/A	N/A
<i>Condo</i>					
	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)

<i>Prices</i>					
Median Price	\$995K	\$999K	0%	\$970K	3%
Average Price	\$1.161M	\$1.158M	0%	\$1.102M	5%
Median PPSF	\$1,271	\$1,185	7%	\$1,168	9%
Average PPSF	\$1,270	\$1,072	19%	\$1,115	14%
<i>Median Price by Bedrooms</i>					
Studio	\$699K	\$655K	7%	\$660K	6%
1 Bedroom	\$870K	\$899K	-3%	\$805K	8%
2 Bedroom	\$1.300M	\$1.360M	-4%	\$1.295M	0%
3+ Bedroom	\$1.968M	\$1.925M	2%	\$2.273M	-13%



# Brooklyn Residential Sales Market Report



Third Quarter 2017

## BROOKLYN HEIGHTS, COBBLE HILL, DUMBO & DOWNTOWN

Inventory grew 5% versus Third Quarter 2016, the only area in Brooklyn to see an increase in apartment listings.

	178 Sales	207 Inventory	55 Days on Market	\$1.085M Median Price	\$1,316 Average PPSF
Annual Change	-23%	+5%	-21%	0%	-3%

Closed sales in Brooklyn Heights, Cobble Hill, Dumbo, and Downtown Brooklyn were down 23% versus Third Quarter 2016. The largest change in this area was the substantial drop in new development closings, as projects such as 51 Jay Street and Pierhouse reach the end of their sales cycle. Listings grew by 5% thanks to resales, but the market remains tight. Sellers found a buyer in an average of 55 days, significantly quicker than the 69 days on average this time last year.

*Average condo sale price was the highest in the borough*

Price metrics in the co-op market varied this quarter. Median sale price in this area was up a significant 14% from last year while all other price metrics experienced declines. Average price fell 9% versus Third Quarter 2016 to \$941,000. Average and median price per square foot figures also declined year-over-year, by 3% and 2%, respectively. Median price for all bedroom types in the co-op market rose except for three bedrooms. Median price for three plus bedrooms fell 17%, while studios experienced an increase of 19% year-over-year.

The condo market in Brooklyn Heights, Cobble Hill, Dumbo, and Downtown Brooklyn experienced declines among all price metrics versus last year. Median and average condo price figures each fell by 7% year-over-year, driven by the lack of new development closings. The average price per square foot decreased 3% year-over-year to \$1,364 per square foot.

	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Sales	178	230	-23%	204	-13%
Average Days on Market	55	69	-21%	67	-18%
Inventory	207	198	5%	196	6%

Co-op	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$760K	\$668K	14%	\$758K	0%
Average Price	\$941K	\$1.036M	-9%	\$896K	5%
Median PPSF	\$923	\$955	-3%	\$870	6%
Average PPSF	\$1,027	\$1,050	-2%	\$952	8%
<i>Median Price by Bedroom</i>					
Studio	\$472K	\$395K	19%	\$420K	12%
1 Bedroom	\$601K	\$550K	9%	\$715K	-16%
2 Bedroom	\$1.205M	\$1.125M	7%	\$1.225M	-2%
3+ Bedroom	\$2.138M	\$2.560M	-17%	\$2.220M	-4%
Condo	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$1.396M	\$1.495M	-7%	\$1.728M	-19%
Average Price	\$1.844M	\$1.985M	-7%	\$2.202M	-16%
Median PPSF	\$1,225	\$1,276	-4%	\$1,345	-9%
Average PPSF	\$1,364	\$1,405	-3%	\$1,450	-6%
<i>Median Price by Bedroom</i>					
Studio	\$659K	\$590K	12%	\$685K	-4%
1 Bedroom	\$938K	\$790K	19%	\$950K	-1%
2 Bedroom	\$1.555M	\$1.535M	1%	\$1.813M	-14%
3+ Bedroom	\$3.923M	\$3.693M	6%	\$3.600M	9%

# Brooklyn Residential Sales Market Report



Third Quarter 2017

## PARK SLOPE & GOWANUS

Sales had double-digit gains versus last year despite the drop in inventory.

	153 Sales	146 Inventory	42 Days on Market	\$1.100M Median Price	\$1,203 Average PPSF
Annual Change	+54%	-13%	-34%	+10%	+14%

Closed sales in Park Slope and Gowanus increased 54% year-over-year and 40% from the previous quarter as sales of both product types registered annual increases. Inventory decreased 13% versus last year, in-line with the Brooklyn market overall. Listings spent an average of 42 days on the market, the lowest figure in the borough.

Median and average co-op price figures declined relative to last quarter and last year, both falling 7% compared to Third Quarter 2016. Pricing skewed lower due to an increase in sales in the southern end of Park Slope. Median price figures for all bedroom types experienced declines, with studios and one bedrooms falling by double-digits compared to a year ago.

*Days on market was the lowest in the borough*

The condo market outperformed the co-op market this quarter, as all price metrics experienced double-digit increases versus last year. Median and average price figures reached nine-year record highs, rising by 12% and 19%, respectively. Median and average price per square foot also experienced similar double-digit annual gains, up 13% and 16%, respectively. The average price per square foot also hit a record high of \$1,228 per square foot driven by closings at 251 First Street.

	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Sales	153	99	54%	109	40%
Average Days on Market	42	64	-34%	52	-19%
Inventory	146	168	-13%	150	-3%

Co-op	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$795K	\$856K	-7%	\$953K	-17%
Average Price	\$886K	\$954K	-7%	\$1.033M	-14%
Median PPSF	\$1,060	\$982	8%	\$1,030	3%
Average PPSF	\$1,068	\$1,033	3%	\$1,066	0%
<i>Median Price by Bedroom</i>					
Studio	\$349K	\$473K	-26%	\$1.700M	-80%
1 Bedroom	\$576K	\$650K	-11%	\$680K	-15%
2 Bedroom	\$971K	\$975K	0%	\$955K	2%
3+ Bedroom	\$1.288M	\$1.400M	-8%	\$1.655M	-22%
Condo	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$1.348M	\$1.200M	12%	\$1.295M	4%
Average Price	\$1.463M	\$1.228M	19%	\$1.431M	2%
Median PPSF	\$1,220	\$1,082	13%	\$1,203	1%
Average PPSF	\$1,228	\$1,060	16%	\$1,158	6%
<i>Median Price by Bedroom</i>					
Studio	\$646K	\$434K	49%	\$445K	45%
1 Bedroom	\$780K	\$565K	38%	\$800K	-3%
2 Bedroom	\$1.275M	\$1.143M	12%	\$1.270M	0%
3+ Bedroom	\$1.853M	\$1.650M	12%	\$2.000M	-7%

# Brooklyn Residential Sales Market Report



Third Quarter 2017

## FORT GREENE, CLINTON HILL & PROSPECT HEIGHTS

Days on market shrunk to 50 days, which was nearly two weeks faster than last year's figure.

	223 Sales	134 Inventory	50 Days on Market	\$872K Median Price	\$1,017 Average PPSF
Annual Change	+74%	-19%	-20%	+15%	+14%

Sales activity in Fort Greene, Clinton Hill and Prospect Heights increased significantly versus this time last year, primarily due to an increase in closings at new development properties. 550 Vanderbilt and 500 Waverly together accounted for almost a third of all sales. Inventory dropped compared to both last quarter and last year, as did average days on market.

Average and median co-op price figures both experienced double-digit increases, up 13% and 14%, respectively. Median and average price per square foot each experienced minimal growth, up 1% each to \$845 and \$834 per square foot, respectively. Median price for all bedroom types except studios increased compared to Third Quarter 2016.

*Average condo price per square foot was the highest on record*

The condo market displayed mixed trends as the median and average price fell by 7% and 10%, respectively, but price per square foot figures increased by double-digit versus Third Quarter 2016. A significant portion of condo closings this quarter were studios and one bedrooms at 550 Vanderbilt. Average price per square foot for condos increased 15% to \$1,044 surpassing the record high figure of \$1,032 per square foot reached in Second Quarter 2017. All bedroom types except three bedrooms experienced gains in median price, with the studio and one bedroom figure 25% higher than last year.

	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Sales	223	128	74%	252	-11%
Average Days on Market	50	63	-20%	76	-34%
Inventory	134	165	-19%	152	-12%

Co-op	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$710K	\$630K	13%	\$676K	5%
Average Price	\$749K	\$658K	14%	\$720K	4%
Median PPSF	\$845	\$832	1%	\$827	2%
Average PPSF	\$834	\$822	1%	\$808	3%
<i>Median Price by Bedroom</i>					
Studio	\$399K	\$412K	-3%	\$349K	14%
1 Bedroom	\$626K	\$583K	7%	\$521K	20%
2 Bedroom	\$900K	\$784K	15%	\$823K	9%
3+ Bedroom	\$1.070M	\$1.030M	4%	\$1.250M	-14%
Condo	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$912K	\$985K	-7%	\$884K	3%
Average Price	\$1.023M	\$1.136M	-10%	\$980K	4%
Median PPSF	\$1,164	\$940	24%	\$1,180	-1%
Average PPSF	\$1,044	\$905	15%	\$1,032	1%
<i>Median Price by Bedroom</i>					
Studio	\$600K	\$479K	25%	\$593K	1%
1 Bedroom	\$890K	\$713K	25%	\$869K	2%
2 Bedroom	\$1.150M	\$1.118M	3%	\$1.100M	5%
3+ Bedroom	\$1.585M	\$1.725M	-8%	\$1.900M	-17%

# Brooklyn Residential Sales Market Report

Third Quarter 2017



## CARROLL GARDENS, BOERUM HILL & RED HOOK

Sales rose and all median and average price metrics were higher than last year.

	92	64	47	\$1.118M	\$1,093
	Sales	Inventory	Days on Market	Median Price	Average PPSF
Annual Change	+9%	-20%	-11%	+9%	+4%

Sales in Carroll Gardens, Boerum Hill, and Red Hook increased by 9% versus last year but fell 7% versus last quarter as fewer new development properties had closings. Listed inventory decreased 20% compared to the same time a year ago, the steepest year-over-year drop in the borough. At an average of 47 days, the length of time from listing to contract date was the second lowest in Brooklyn indicating a very competitive market.

*Sales increased by  
9% versus last year*

Average and median co-op price figures experienced modest gains this quarter, up 2% and 7%, respectively, while average and median price per square foot figures moved in the opposite direction. Median price figures increased for one and three plus bedrooms while studios and two bedrooms fell versus last year.

Even with fewer new development sales, the condo market outperformed the co-op market year-over-year. Median and average price figures saw double-digit increases at 10% and 11%, respectively. Median price and average price per square foot increased by single-digits year-over-year. One and two bedroom median price rose compared to both last quarter and last year.

	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Sales	92	85	9%	99	-7%
Average Days on Market	47	53	-11%	59	-21%
Inventory	64	80	-20%	72	-11%

Co-op	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$938K	\$922K	2%	\$839K	12%
Average Price	\$1.005M	\$936K	7%	\$859K	17%
Median PPSF	\$995	\$1,050	-5%	\$1,057	-6%
Average PPSF	\$1,022	\$1,067	-4%	\$970	5%

### *Median Price by Bedroom*

Studio	\$395K	\$411K	-4%	\$475K	-17%
1 Bedroom	\$595K	\$499K	19%	\$725K	-18%
2 Bedroom	\$955K	\$1.020M	-6%	\$918K	4%
3+ Bedroom	\$1.506M	\$1.443M	4%	\$1.636M	-8%

Condo	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$1.261M	\$1.150M	10%	\$1.495M	-16%
Average Price	\$1.320M	\$1.187M	11%	\$1.683M	-22%
Median PPSF	\$1,090	\$1,073	2%	\$1,238	-12%
Average PPSF	\$1,101	\$1,046	5%	\$1,252	-12%

### *Median Price by Bedroom*

Studio	\$700K	N/A	N/A	\$760K	-8%
1 Bedroom	\$830K	\$753K	10%	\$803K	3%
2 Bedroom	\$1.319M	\$1.190M	11%	\$1.250M	6%
3+ Bedroom	\$1.713M	\$1.798M	-5%	\$2.200M	-22%



# Brooklyn Residential Sales Market Report



Third Quarter 2017

## BEDFORD-STUYVESANT, CROWN HEIGHTS, LEFFERTS GARDENS & BUSHWICK

Sales were down 6% versus last year, along with a 17% drop in inventory.

<b>107</b> Sales	<b>131</b> Inventory	<b>71</b> Days on Market	<b>\$698K</b> Median Price	<b>\$753</b> Average PPSF
Annual Change <b>-6%</b>	<b>-17%</b>	<b>0%</b>	<b>+14%</b>	<b>+19%</b>

Sales in Bedford-Stuyvesant, Crown Heights, Lefferts Gardens & Bushwick fell 6% in Third Quarter 2017 versus last year, likely due to limited inventory. Inventory declined 17% year-over-year. Days on market remained unchanged versus Third Quarter 2016 but the figure was 15% lower than Second Quarter 2017, as inventory in the Summer months typically recedes.

*Condo median and average price figures rose by double-digits*

The co-op market displayed mixed trends as the median and average price figures fell by 15% and 12%, respectively but median and average price per square foot expanded by 63% and 64%, respectively, versus this time last year but the relatively small number of transactions this quarter and last year render these statistics insignificant.

Average and median condo price experienced double-digit increases versus Third Quarter 2016. Median and average price figures rose by 21% and 16%, respectively, both figures achieving a nine-year record high. New developments such as Hello Sterling and 447-449 Decatur Street bolstered pricing in this area. Condo average price per square foot increased 17% above last year's figure to \$752 per square foot, reaching the second highest point in over nine years.

	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Sales	107	113	-6%	94	14%
Average Days on Market	71	71	0%	83	-15%
Inventory	131	157	-17%	95	38%

Co-op	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$443K	\$524K	-15%	\$418K	6%
Average Price	\$480K	\$546K	-12%	\$408K	18%
Median PPSF	\$839	\$514	63%	\$544	54%
Average PPSF	\$783	\$477	64%	\$595	31%
<i>Median Price by Bedroom</i>					
Studio	\$325K	N/A	N/A	\$175K	86%
1 Bedroom	\$429K	\$389K	10%	\$421K	2%
2 Bedroom	\$671K	\$623K	8%	\$555K	21%
3+ Bedroom	\$1.100M	N/A	N/A	N/A	N/A
Condo	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$748K	\$620K	21%	\$695K	8%
Average Price	\$767K	\$664K	16%	\$710K	8%
Median PPSF	\$863	\$683	26%	\$756	14%
Average PPSF	\$752	\$640	17%	\$669	12%
<i>Median Price by Bedroom</i>					
Studio	\$496K	\$493K	1%	\$367K	35%
1 Bedroom	\$567K	\$605K	-6%	\$675K	-16%
2 Bedroom	\$830K	\$958K	-13%	\$774K	7%
3+ Bedroom	\$990K	\$999K	-1%	\$867K	14%

# Brooklyn Residential Sales Market Report



Third Quarter 2017

## KENSINGTON, WINDSOR TERRACE, DITMAS PARK, FLATBUSH & PROSPECT PARK SOUTH

Sales were down a significant 22% versus last year, driven by fewer condo sales. Co-op sales were stable versus a year ago.

	78	182	53	\$525K	\$644
	Sales	Inventory	Days on Market	Median Price	Average PPSF
Annual Change	-22%	-6%	-6%	-7%	+3%

During Third Quarter 2017 closings fell by a significant 22% year-over-year, mainly due to a decline in condo sales as co-op sales remained stable. Inventory was 6% below Third Quarter 2016, and given tight market conditions, apartments entered into contract faster than either last quarter or last year.

*One and three bedroom median price both had annual gains*

Co-op median and average price figures fell year-over-year by 4% and 3%, respectively. These figures however, were nearly level with Second Quarter 2017. Median and average price per square foot figures were up 10% and 9%, respectively, due to a larger market share of studio and one bedroom sales. Median price figures for all bedroom types were up versus Third Quarter 2016 with three bedrooms increasing the most at 34% versus this time last year.

Similarly, the condo market displayed mixed pricing trends this quarter. Median and average condo price figures were up 9% and 16%, respectively, compared to last year. Median price rose 16% year-over-year to \$751,000, slightly higher than last quarter's record high figure. Average price per square foot was down 5% from last year to \$670 per square foot due to fewer new development sales, but was nearly level with Second Quarter.

	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Sales	78	100	-22%	72	8%
Average Days on Market	53	56	-6%	62	-15%
Inventory	182	194	-6%	155	17%

Co-op	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$466K	\$485K	-4%	\$462K	1%
Average Price	\$499K	\$515K	-3%	\$495K	1%
Median PPSF	\$610	\$555	10%	\$590	3%
Average PPSF	\$631	\$581	9%	\$573	10%
<i>Median Price by Bedroom</i>					
Studio	\$234K	\$227K	3%	\$270K	-13%
1 Bedroom	\$442K	\$435K	2%	\$413K	7%
2 Bedroom	\$657K	\$625K	5%	\$668K	-2%
3+ Bedroom	\$1.037M	\$775K	34%	\$875K	19%
Condo	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$710K	\$650K	9%	\$755K	-6%
Average Price	\$751K	\$650K	16%	\$750K	0%
Median PPSF	\$632	\$724	-13%	\$775	-19%
Average PPSF	\$670	\$703	-5%	\$669	0%
<i>Median Price by Bedroom</i>					
Studio	N/A	N/A	N/A	N/A	N/A
1 Bedroom	\$632K	\$500K	26%	\$667K	-5%
2 Bedroom	\$570K	\$644K	-11%	\$748K	-24%
3+ Bedroom	\$890K	\$745K	19%	\$950K	-6%

# Brooklyn Residential Sales Market Report



Third Quarter 2017

## SOUTH BROOKLYN

Sales were up 53% versus last year, driven by the building boom in Sheepshead Bay.

	574 Sales	792 Inventory	102 Days on Market	\$385K Median Price	\$515 Average PPSF
Annual Change	+53%	-13%	+5%	+21%	+10%

South Brooklyn sales activity was robust this quarter, leaping 53% over Third Quarter 2016. The increase in sales was driven by numerous new development transactions in Sheepshead Bay, particularly at The Vue and Belle Vue. As typical in South Brooklyn, listings took the longest to sell compared to other areas of the borough at 102 average days on market, slightly longer than a year ago.

### *New development sales fueled condo price gains*

Co-op median and average price figures increased year-over-year 5% and 7%, respectively. All coop bedroom types experienced price growth except for three plus bedrooms. Median price for three plus bedrooms fell by 11% year-over-year while the median price for two bedrooms gained the most this quarter, increasing 6% versus this time last year.

All condo price metrics experienced significant gains this quarter. Median and average price figures grew 31% and 25%, respectively, both price figures setting nine-year record highs. Fueling the price gains were numerous new development sales, which comprised 40% of condo sales this quarter, compared to just 5% of condo sales last year.

	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Overview</i>					
Sales	574	374	53%	522	10%
Average Days on Market	102	98	5%	106	-4%
Inventory	792	906	-13%	595	33%

Co-op	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$290K	\$270K	7%	\$275K	5%
Average Price	\$310K	\$295K	5%	\$304K	2%
Median PPSF	\$366	\$371	-1%	\$387	-5%
Average PPSF	\$387	\$422	-8%	\$391	-1%

#### *Median Price by Bedroom*

Studio	\$185K	\$179K	3%	\$178K	4%
1 Bedroom	\$280K	\$274K	2%	\$273K	3%
2 Bedroom	\$349K	\$330K	6%	\$388K	-10%
3+ Bedroom	\$510K	\$575K	-11%	\$570K	-10%

Condo	3Q17	3Q16	% Chg (yr)	2Q17	% Chg (qtr)
<i>Prices</i>					
Median Price	\$610K	\$466K	31%	\$580K	5%
Average Price	\$650K	\$522K	25%	\$645K	1%
Median PPSF	\$582	\$456	28%	\$597	-2%
Average PPSF	\$588	\$484	21%	\$599	-2%

#### *Median Price by Bedroom*

Studio	N/A	\$134K	N/A	\$184K	N/A
1 Bedroom	\$430K	N/A	N/A	\$345K	25%
2 Bedroom	\$620K	\$510K	22%	\$650K	-5%
3+ Bedroom	\$725K	\$650K	12%	\$1.066M	-32%

# Brooklyn Residential Sales Market Report



Third Quarter 2017

## METHODOLOGY

Source – Sales counts and figures in this report are based on publicly reported closed sales information via The Automated City Register Information System (ACRIS) and compiled using PropertyShark, an independent research firm, as well as from Corcoran's proprietary listings database.

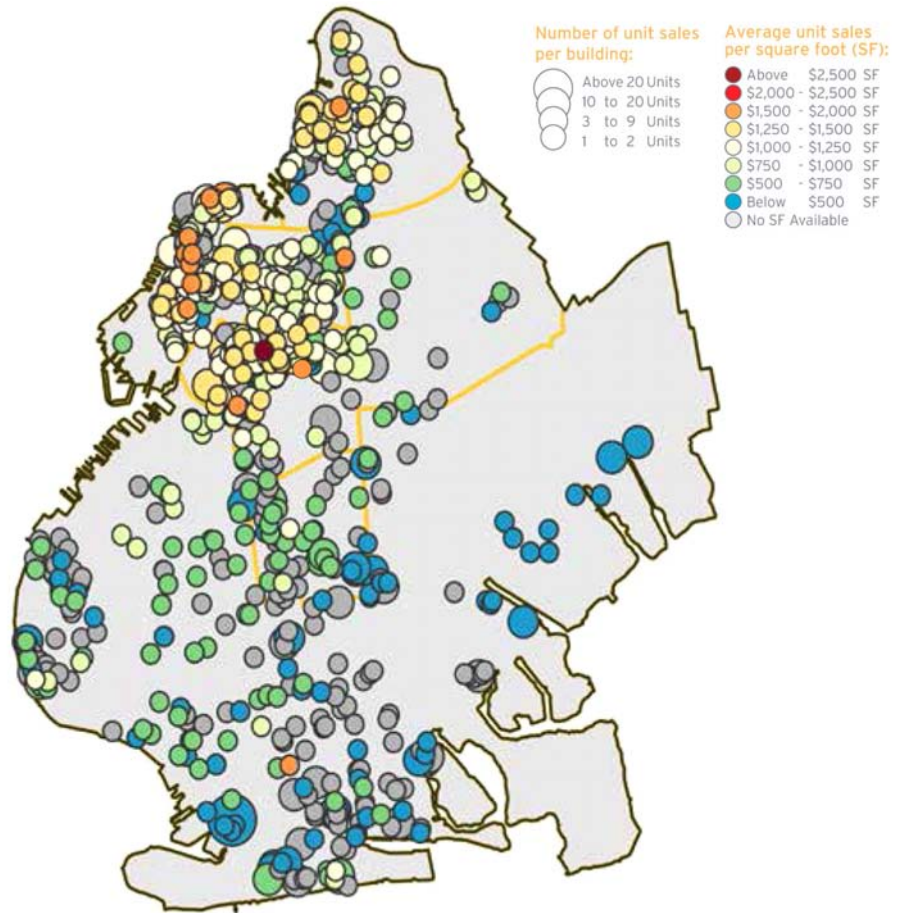
### Metrics

Closed Sales figures for the current quarter are based on known closings recorded at the time the report is prepared and projected through the end of the quarter taking into account typical seasonality and public reporting timing.

Contracts Signed figures for the current quarter are based on reported signed contracts at the time the report is prepared and projected through the end of the quarter taking into account typical seasonality

Days on Market averages how long a unit takes to sell and is calculated by subtracting contract date from list date. Units on the market longer than three years and shorter than one day are considered outliers and removed from the data to prevent significant skewing. New developments are excluded because many available, unsold units are held off the market for long periods of time.

Average Price per Square Foot is the average price divided by the average square footage. In prior Reports this was calculated as an average of all prices per square foot, which gives a number less skewed by high price sales and more similar to a median price per square foot. The two metrics are now separated to give more insight to market dynamics.



Median Price and Price per Square Foot are the middle or midpoint price where half of sales fall below and half fall above this number.

Inventory is a count of all currently listed units and is measured two weeks before the end of the quarter. It does not include unsold yet unlisted units in new developments ("shadow" inventory).

Months of Supply is an estimate of how long it would take to sell all currently listed units based on the average closed sales per month over the last twelve months. Six to nine months is considered supply-demand equilibrium.

Previous Quarter statistics for sales and prices are revised in the subsequent report once data is available for the full quarter period.