

INSIGHTS FROM NEW YORK'S PREMIER BROKER FOR TOWNHOUSES AND SMALL BUILDINGS

TOWNHOUSE

QUARTERLY REVIEW

MARKET SNAPSHOT JUL-SEPT 2017

Q3 Sales

\$518.1M

Avg. Sales Price

\$5.9M

Avg. Price/Sq.ft

\$1,394

Nº Of Transactions

88

Townhouse market sees gains in value driven by Upper East Side market

The third quarter of 2017 was characterized by an uptick in townhouse and small building sales in both sales volume and average sales price. Comparing the final numbers of Q32016 to Q32017, total sales increased from \$505.0M to \$518.1M, the average price per foot increased from \$1,165 to \$1,394, and the average sales price saw an increase from \$5.7M to \$5.9M

While many neighborhoods saw drops in pricing and transactions, the Upper East Side saw an increase in all measured categories from Q32016 compared to Q32017. The total sales rose from \$62.6M to \$177.5M, the average sales price rose from \$7.8M to \$10.4M, the average price per foot rose from \$1,797 to \$1,879 and the number of transactions rose from 8 to 17.

Sales of note that occurred during Q32017 included 36 East 61st Street for \$32.0M (\$3,093 PPSF) and 1041 Madison Avenue for \$21.1M (\$3,433 PPSF).

Looking forward, with the stock market continuing to perform at all time highs, we expect a solid Wall Street bonus season. However, with an increase in available luxury inventory, it has become more of a buyers market. In addition, uncertainty looms over Trump's tax plan and the ramifications on the real estate market.

PRIME TOWNHOUSE NEIGHBORHOODS



RIGHT: Average sales prices and Price Per Square Foot for New York City's Prime Townhouse Neighborhoods

Upper East Side

Total Sales Volume: \$177,580,000	↑ 72%
Average Sales Price: \$10,440,000	↑ 34%
Average Price / Sq.ft: \$1,879	↑ 5%
Number of Transactions: 17	↑ 113%

For Sellers

Properties in the under \$10M market continue to sell at positive rates with 11 sales in this range taking place during the third quarter. We are seeing a slight summer slow down in the \$15M plus market. As expected, properties that are priced well continue to sell at pace.

For Buyers

The highest priced sale was the 25' wide commercially zoned townhouse at 36 East 61st Street for \$32M (\$3,093 PPSF) on 7/25. This property last sold at the end of 2014 for \$27M. Inventory is high with 75 active townhouse listings, 37 of which being in Lenox Hill.

Looking Forward

A positive sign for the \$15M plus market coming out of the summer is the average sales volume continues to outpace last year by 18%.

Upper East Brokers
Jed Garfield, Caylyn Sullivan, Tom Wexler
Lydia Rosengarten

Average Sales By Number of Units

1-2 units
\$2,031 PPSF

\$8.9M

3-5 units
\$1,725 PPSF

\$5.9M

6-25 units
\$890 PPSF

\$7.5M

**Mixed/
Commercial**
\$2,494 PPSF

\$19.5M

London

For Sellers

As we are all aware, Brexit and other political uncertainties have been an additional drag on activity, however more recently there have been signs of improvement. Average sales prices have stabilized and tentatively edged upwards. Over the last 12 months to the end of May 2017, average prices for prime central London have actually increased 11%.

For Buyers

Perhaps the most encouraging recent indicator of change is the number of properties on the market. When demand fell in 2015, price reductions followed and supply plummeted as owners had little incentive to sell. The latest RICS monthly survey showed an improvement in new instructions for London, to a level not seen since early 2016.

Looking Forward

After typically quiet summer months, late September has seen a predicted rumble in activity for our agents, and we expect this to continue over the coming weeks. Mid-November onwards sees holiday season commitments and plans taking precedence for our audience.

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ESTATES**

↑ Percentage increase from 3Q2016

↓ Percentage decrease from 3Q2016

Upper West Side

Upper West Broker
Richard Pretsfelder

Total Sales Volume:	\$51,180,000	↓ 35%
Average Sales Price:	\$5,680,000	↓ 21%
Average Price / Sq.ft:	\$1,185	↓ 5%
Number of Transactions:	9	↓ 18%

For Sellers

Through the third quarter of 2017, UWS sales continue to outpace sales from 2016. Q3 did show a decline in sales across the board with a total of 9 sales ranging in price from \$4.3M to \$7.3M.

For Buyers

The demand for mid-market multi-family townhouses remains strong, occupying 78% of Q3 sales. With only two Q3 single-family sales, the high end of the market lagged.

Looking Forward

With four contracts signed in August and September, including two single-family townhouses, the outlook entering the fall season is positive.

Average Sales By Number of Units

1-2 units
\$1,369 PPSF

\$6.5M

3-5 units
\$1,296 PPSF

\$6.5M

6-25 units
\$1,164 PPSF

\$5.1M

Mixed/
Commercial
\$603 PPSF

\$4.5M

Midtown East

Midtown East Brokers
Jed Garfield, Richard
Pretsfelder &
Matthew Lesser

Total Sales Volume:	\$11,050,000	↓ 40%
Average Sales Price:	\$5,500,000	↓ 10%
Average Price / Sq.ft:	\$1,713	↑ 21%
Number of Transactions:	2	↓ 33%

For Sellers

With four homes under contract, confidence is high that the market will close strong in the last quarter of the year. Positive signs for the high end market with 60% of the new to market homes being \$10M or above in MTE.

For Buyers

The highest priced sale in the third quarter was 343 East 33rd Street at 25' wide for \$7.2M and \$1,500 PPSF.

Looking Forward

We are seeing the desirability of MTE rise as reflected by the four homes under contract. One listing under contract is the \$12.9M home at 319 East 51st Street, a very positive sign for the MTE \$10M plus market.

Average Sales By Number of Units

1-2 units
\$1,925 PPSF

\$3.8M

3-5 units
N/A

6-25 units
\$1,500 PPSF

\$7.2M

Mixed/
Commercial
N/A

Gramercy

Gramercy Broker
Matthew Lesser

Total Sales Volume: \$21,000,000	↓ 9%
Average Sales Price: \$7,000,000	↓ 9%
Average Price / Sq.ft: \$1,076	↑ 5%
Number of Transactions: 3	0%

For Sellers

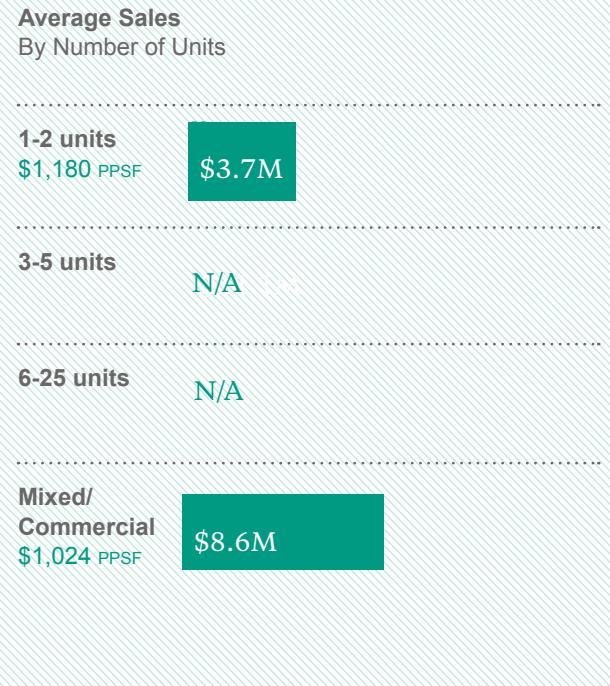
There are 5 renovated townhouses available for sale with an average list price of \$16M (average days on market 118), and 2 unrenovated townhouses available for sale with an average list price of \$5M (average days on market 204).

For Buyers

Asking prices in Gramercy have continued to increase as more renovated properties have become available for sale. However, time on market continues to linger suggesting pricing is too inflated.

Looking Forward

With 7 properties available for sale, the most available at one time in over 3 years, buyers have options. Sellers will need to continue to be realistic understanding true market values in order to transact.



Greenwich/West Village

Greenwich/West Village Brokers
Matthew Pravda and Christopher Riccio

Total Sales Volume: \$63,000,000	↓ 22%
Average Sales Price: \$10,500,000	↓ 22%
Average Price / Sq.ft: \$2,657	↓ 21%
Number of Transactions: 6	0%

For Sellers

After a robust year of sales in 2016, 2017 transactions have declined across the board. Nevertheless, the neighborhood remains among the priciest and more desirable in the city.

For Buyers

Inventory continues to grow allowing buyers to negotiate prices closer to market value.

Looking Forward

Similarly to Q2, homes that are priced closer to market value continue to trade quicker. Nevertheless, the market appears to be in an upward slope as homes in the Village continue to trade.



Chelsea

Chelsea Broker
Matthew Lesser

Total Sales Volume: \$7,995,000	↓ 84%
Average Sales Price: \$7,995,000	↓ 19%
Average Price / Sq.ft: \$1,378	↓ 5%
Number of Transactions: 1	↓ 80%

For Sellers

Transaction volume, average sales price, and average price per square foot are down compared to Q3 2016. However, with only 1 transaction in Q3 2017 vs. 7 in Q3 2016, the data is skewed. As expected, more properties have been listed for sale post Labor Day and 1 is currently under contract at 461 West 21st Street.

For Buyers

With minimal opportunity to buy below \$10M, prices should remain stable for a niche market where demand continues to outweigh supply.

Looking Forward

Unrenovated townhouses in a more attractive price point remain most coveted. Potential sellers should use this to their advantage.

Average Sales By Number of Units

1-2 units N/A

3-5 units N/A

6-25 units N/A

Mixed/
Commercial
\$1,378 PPSF \$7.9M

Central Village

Central Village Broker
Matthew Lesser

Total Sales Volume: \$0	↓ 100%
Average Sales Price: \$0	↓ 100%
Average Price / Sq.ft: \$0	↓ 100%
Number of Transactions: 0	↓ 100%

For Sellers

The Central Village market saw a slight decrease in activity with no sales for Q3 2017 compared to 1 sale in Q3 2016.

For Buyers

14 East 11th Street remains the highest priced sale so far this year, at \$21.7M and \$2,900 PPSF.

Looking Forward

Inventory continues to remain low, but as future average sales and PPSF are rising, we may see more properties come to market this fall.

Average Sales By Number of Units

1-2 units N/A

3-5 units N/A

6-25 units N/A

Mixed/
Commercial N/A

East Village

East Village Broker
Ravi Kantha

Total Sales Volume: \$9,625,000	↓ 83%
Average Sales Price: \$4,810,000	↓ 31%
Average Price / Sq.ft: \$961	↓ 5%
Number of Transactions: 2	↓ 75%

For Sellers

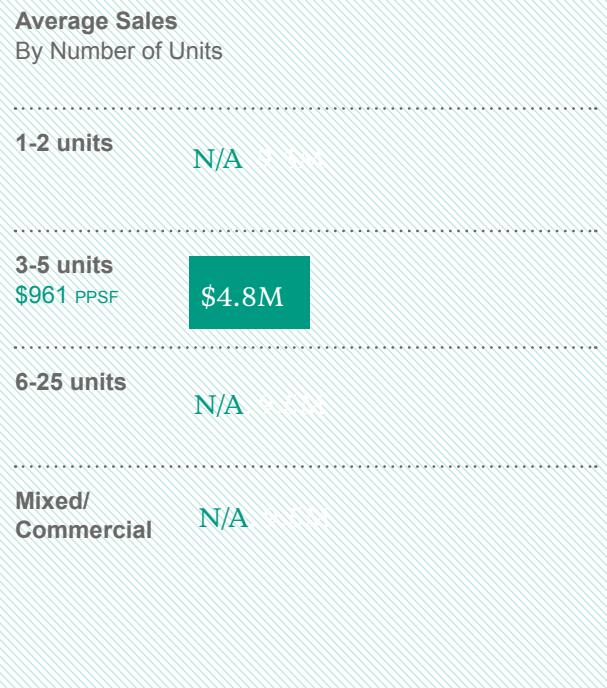
Although Q32017 sales prices have dropped from Q32016, the average PPSF is fairly steady at \$961 for Q32017 compared to \$1,015 in Q32016.

For Buyers

The highest priced sale for Q32017 was 153 Avenue B, a 23' wide multi-family townhouse, which sold for \$6.625M and \$1,029 PPSF.

Looking Forward

There are currently six properties available for sale with an average asking price of \$7.3M and PPSF of \$1,628. We will continue to see a decrease in transaction volume until sellers match expectations in pricing.



Park Slope

Park Slope Broker
Ravi Kantha

Total Sales Volume: \$99,950,000	↑ 4%
Average Sales Price: \$3,120,000	↑ 16%
Average Price / Sq.ft: \$990	↓ 2%
Number of Transactions: 32	↓ 9%

For Sellers

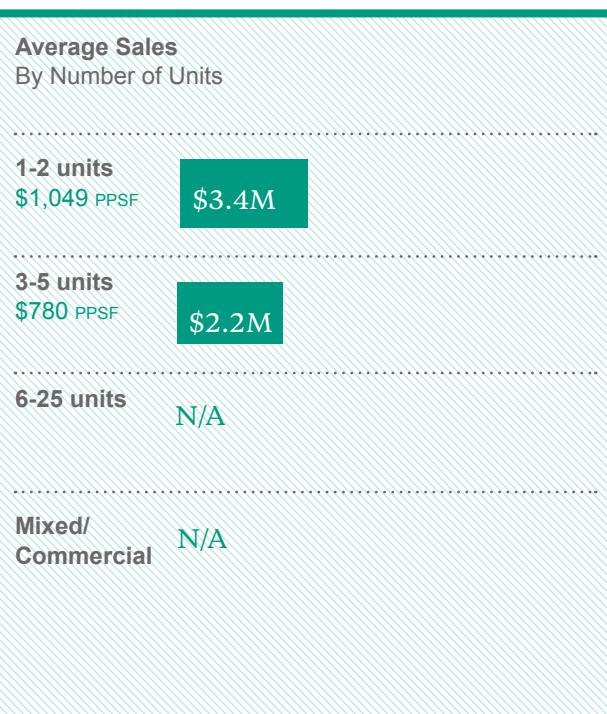
The Park Slope market remains active in the \$2-\$5M range and has seen a 16% increase in sales prices for Q3.

For Buyers

The highest priced sale was at 45 Montgomery Place, a 30.5' wide townhouse, which sold for \$12.6M and \$1,654 PPSF.

Looking Forward

With 26 properties currently under contract, the outlook for the remainder of this year is positive as properties in the \$2.5M-\$5M price range are in high demand and the neighborhood is very desirable.



Brooklyn Heights

Brooklyn Heights Broker
Ravi Kantha

Total Sales Volume:	\$63,540,000	↑ 68%
Average Sales Price:	\$7,060,000	↑ 31%
Average Price / Sq.ft.:	\$1,438	↑ 5%
Number of Transactions:	9	↑ 29%

For Sellers

Sales volume in Brooklyn Heights continued at a steady pace after a busy second quarter. Smaller (and less expensive) houses are selling more frequently than their larger counterparts.

For Buyers

This quarter saw another large single-family sale - 14 College Place for \$9.575M (over \$2,300 PPSF). This is a big number on a per square foot basis, but this mint condition house offered 25' of width, a garage, and stunning outdoor space.

Looking Forward

The mid-range luxury market in Brooklyn Heights (\$4.5M-\$6M) continues to be the most competitive space in the market.

Average Sales By Number of Units

1-2 units
\$1,911 PPSF

\$6.2M

3-5 units
\$910 PPSF

\$3.5M

6-25 units
\$825 PPSF

\$9.7M

Mixed/
Commercial N/A

Central Harlem

Central Harlem Broker
Richard Pretsfelder

Total Sales Volume:	\$13,400,000	↓ 34%
Average Sales Price:	\$2,600,000	↓ 23%
Average Price / Sq.ft.:	\$813	↑ 7%
Number of Transactions:	5	↓ 17%

For Sellers

There were five trades in the third quarter with an additional five listings still in contract, a large increase from Q2.

For Buyers

Of the five trades in the third quarter only two were recently renovated. This shows that developers are continuing to invest in the Harlem market and convert the classic townhouses to renovated single family homes.

Looking Forward

Central Harlem sales prices are increasing steadily as the area continues to draw new restaurants, shops and subsequently new residents.

Average Sales By Number of Units

1-2 units
\$813 PPSF

\$2.6M

3-5 units N/A

6-25 units N/A

Mixed/
Commercial N/A



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International Affiliate



About Leslie J. Garfield

At Garfield, we believe that every townhouse and small building is unique. Selling such a substantial asset requires a team that truly understands real estate in New York City, knows your neighborhood, and has even sold property on your block.

Jed Garfield
Lydia Rosengarten
Caylyn Sullivan
Tom Wexler
Upper East Side

Matthew Lesser
Chelsea, Gramercy
& Central Village

Matthew Pravda
Christopher Riccio
Greenwich / West Village

Richard Pretsfelder
Upper West Side

Jed Garfield
Richard Pretsfelder
Matthew Lesser
Midtown East

Ravi Kantha
Brooklyn Heights
Park Slope & East Village

Richard Pretsfelder
Central Harlem

Get in Touch

If you would like a complimentary property valuation or any further market information, please contact us at:

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