

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

TOWNHOUSE

END OF YEAR REVIEW

MARKET SNAPSHOT JAN-DEC 2017

2017 Sales

\$3.0B

Avg. Sales Price

\$7.2M

Avg. Price/Sq.ft

\$1,338

Nº Of Transactions

425

Townhouse market sees gains in 2017 driven by uptown market

NYC townhouse sales were a bit of a mixed bag in 2017. Most importantly there was some price growth as the average sales price grew from \$6.8 million to \$7.2 million (+6%) and the average price per foot grew from \$1,316/ft to \$1,338/ft (+2%). Overall transaction volume however was slightly down from \$3.1 to \$3.0 billion (-3%) and the number of sales declined from 454 to 425 (-4.2%) as a lack of decisiveness combined with a methodical approach to transactions characterized buyer behavior in 2017.

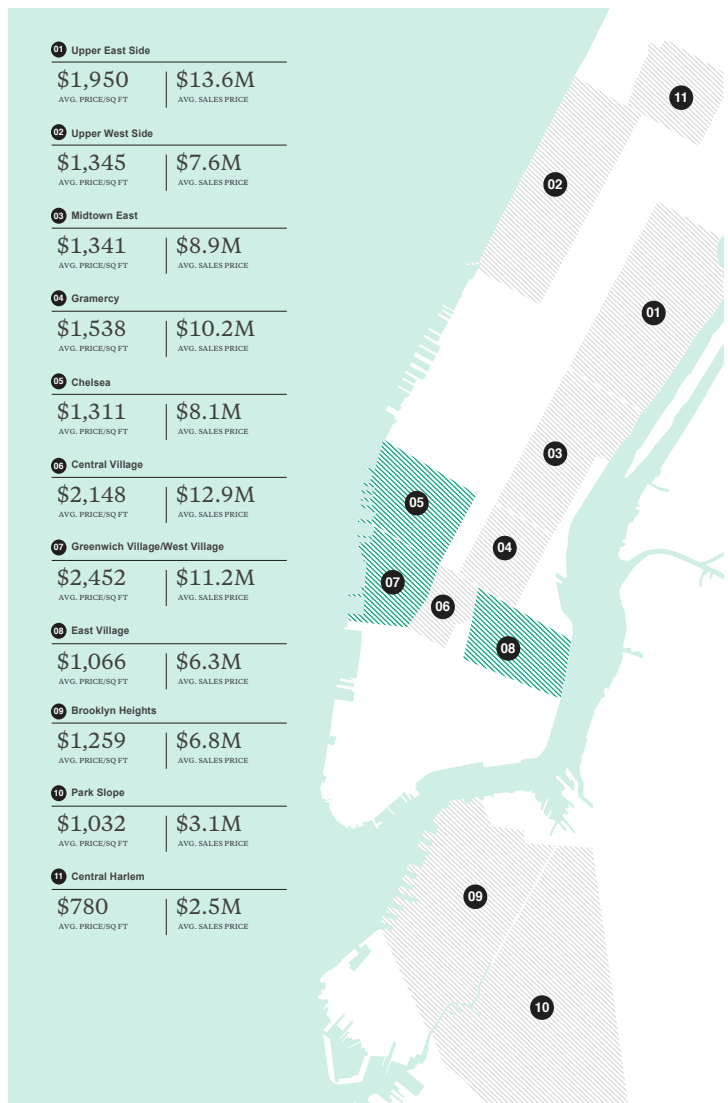
While many neighborhoods saw drops in pricing and transactions, the Upper East Side, the Upper West Side and Brooklyn Heights all saw an increase in all measured categories in 2017 compared to 2016. The downtown market saw a decrease in the number of transactions, however many high priced sales occurred such as 269 West 11th Street for \$27.0M (\$3,857 PPSF) and 26 Bank Street for \$17.85M (\$4,057 PPSF).

Sales of note that occurred during 2017 included 19 East 64th Street for \$79.5M (\$4,215 PPSF) and 715 Madison Avenue for \$61.5M (\$6,630 PPSF).

Looking forward to 2018, while there is some uncertainty regarding the impact of the revised tax code, at first glance the changes suggest a decrease in taxes for pass through entities and higher taxes for individuals, potentially offset by a more robust economy, and continued growth of the stock market. In any event, the townhouse market will get off to a strong start as there are several high priced properties under contract across the city led by the record setting transaction at 12 East 69th Street for \$80 million.

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

PRIME TOWNHOUSE NEIGHBORHOODS



Upper East Side

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

Total Sales Volume: \$885,500,000	↑ 27%
Average Sales Price: \$13,600,000	↑ 21%
Average Price / Sq.ft: \$1,950	↑ 3%
Number of Transactions: 66	↑ 6%

For Sellers

The \$15 million plus market showed a slight increase with 17 sales and 3 in contract, compared to 14 total \$15M plus sales last year. The \$5-15M market continues to show strength, proving that properties that are correctly priced continue to sell at pace.

For Buyers

The highest priced sale was the 41' wide commercially zoned townhouse at 19 East 64th Street for \$79.5M. 12 East 69th Street is currently under contract for \$80M, potentially being the most expensive residential townhouse sale to take place in Manhattan.

Looking Forward

There are 6 townhouse properties currently in contract on the Upper East Side, three of which being \$15M or more. A positive sign for the \$15M plus market coming into the New Year.

Average Sales

By Number of Units

1-2 units
\$2,162 PPSF \$14.5M

3-5 units
\$1,651 PPSF \$9.3M

6-25 units
\$1,012 PPSF \$7.7M

Mixed/
Commercial
\$2,197 PPSF \$17.6M

London

International Affiliate

BEAUCHAMP
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For Sellers

A stagnant residential sales market has been caused by the uncertainties around the eventual Brexit outcome and what that will mean for the British economy, the first interest rate rises in a decade, as well as the less beneficial tax environment, spurred by changes in the last three years. These changes take the edge off an investment proposition, however, they don't undermine the case for the investment completely.

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 across prime central London.

Looking Forward

Now that they've levelled off, we feel prices in prime central London are likely to remain stagnant in 2018, or in the best-case scenario, increase by 2% to 3%. There is buyer appetite out there. Most of the worry about Brexit is coming from domestic buyers rather than international investors, who still see prime central London as a safe haven and go-to destination.

↑ Percentage increase from 2016

↓ Percentage decrease from 2016

Upper West Side

Upper West Broker
Richard Pretsfelder

Total Sales Volume: \$363,300,000	↑ 16%
Average Sales Price: \$7,600,000	↑ 7%
Average Price / Sq.ft: \$1,345	↑ 2%
Number of Transactions: 48	↑ 9%

For Sellers

2017 brought a 28% increase in average sales price of 1-2 family homes over 2016 and a 55% increase in 3-5 family homes. The average sales price of 6+ family townhouses decreased in 2017, but the average price per square foot increased.

For Buyers

The luxury market bounced back from a difficult 2016 with 11 eight-figure sales in 2017 versus five in 2016. The highest priced sale of 2017 was 3 Riverside Drive for \$15.8M. In 2016, the highest priced sale was 33 West 71st Street, which closed at \$12.5M.

Looking Forward

The mid-level market is maintaining its momentum with four sales in Q4 and 38 sales in all of 2017 under \$10M. These figures indicate a strong start to 2018.

Average Sales

By Number of Units

1-2 units
\$1,676 PPSF \$8.9M

3-5 units
\$1,532 PPSF \$7.7M

6-25 units
\$1,175 PPSF \$6.2M

Mixed/
Commercial
\$892 PPSF \$5.7M

Midtown East

Midtown East Brokers
Jed Garfield, Richard
Pretsfelder &
Matthew Lesser

Total Sales Volume: \$187,000,000	↑ 53%
Average Sales Price: \$8,900,000	↑ 38%
Average Price / Sq.ft: \$1,341	↑ 3%
Number of Transactions: 21	↑ 11%

For Sellers

The number of transactions remained steady compared to 2016 while the average sales price increased due to two large commercial transactions - 14 East 52nd Street for \$36M and 11 East 51st Street for \$30M

For Buyers

The highest priced residential sale was the renovated single family townhouse at 319 East 51st Street for \$9.95M

Looking Forward

With 7 single family townhouses now on the market asking \$10M or more, there could be some large transactions in Midtown East in 2018.

Average Sales

By Number of Units

1-2 units
\$1,510 PPSF \$10.2M

3-5 units
\$860 PPSF \$6.7M

6-25 units
\$1,059 PPSF \$6.2M

Mixed/
Commercial N/A

Gramercy

Gramercy Broker
Matthew Lesser

Total Sales Volume: \$92,000,000	↓	31%
Average Sales Price: \$10,200,000	↑	29%
Average Price / Sq.ft: \$1,538	↑	36%
Number of Transactions: 9	↓	47%

For Sellers

Transaction volume was down 47% year over year. Additionally, average time on market remained flat.

For Buyers

The highest priced sale was \$23.1M, a 26.5'-wide, 6-unit townhouse at 4 Gramercy Park West. \$PPSF for 3 renovated homes remains well below other downtown neighborhoods.

Looking Forward

Inventory will remain thin which should strengthen competition. With neighboring new condominiums selling for greater than \$2,200 PSF, townhouse prices will continue to look attractive to buyers.

Average Sales By Number of Units

1-2 units

\$1,641 PPSF

\$5.3M

3-5 units

\$1,624 PPSF

\$11.1M

6-25 units

\$1,629 PPSF

\$14.9M

Mixed/

Commercial

\$1,350 PPSF

\$9.7M

Greenwich/West Village

Greenwich/West Village Brokers
Matthew Pravda and Christopher Riccio

Total Sales Volume: \$291,000,000	↓	38%
Average Sales Price: \$11,200,000	↓	22%
Average Price / Sq.ft: \$2,452	↓	9%
Number of Transactions: 26	↓	21%

For Sellers

Year over year saw a decline in sales volume, average price, and average price per square foot, however almost half of the trades were over \$10M showing the highest end of the market remaining steady.

For Buyers

The highest priced sale was 269 West 11th Street, a 27' wide townhouse which sold for \$27M and is in need of a gut renovation. The highest price/sqft. transaction was 26 Bank Street, which sold for \$17.85M, \$4,057/sqft.

Looking Forward

Greenwich Village currently has seven townhouse properties under contract. As activity begins to pick up and Wall Street continues its historic run, we anticipate a strong 2018.

Average Sales By Number of Units

1-2 units

\$2,789 PPSF

\$10.7M

3-5 units

\$2,387 PPSF

\$12.3M

6-25 units

\$1,165 PPSF

\$11.3M

Mixed/

Commercial

N/A

Chelsea

Chelsea Broker
Matthew Lesser

Total Sales Volume: \$145,500,000	↓ 45%
Average Sales Price: \$8,100,000	↓ 11%
Average Price / Sq.ft: \$1,311	↓ 8%
Number of Transactions: 18	↓ 38%

For Sellers

Transaction volume was down 45% year over year. However, the market saw multiple \$7-9 million or \$1,700+ PPSF transactions for gut renovations; which is greater than years past.

For Buyers

Inventory west of 7th Avenue remains tight with only 2 renovated and 1 renovated townhouses available. East of 7th Avenue offers more opportunity at a more "affordable price" as compared to West Chelsea.

Looking Forward

Multiple newly renovated townhouses should complete construction in 2018 which will offer the market more opportunity to purchase. With growing demand for this neighborhood, prices will remain steadily rising.

Average Sales

By Number of Units

1-2 units

\$1,660 PPSF

\$8.3M

3-5 units

\$1,491 PPSF

\$6.7M

6-25 units

\$1,424 PPSF

\$8.7M

Mixed/ Commercial

\$1,241 PPSF

\$9.2M

Central Village

Central Village Broker
Matthew Lesser

Total Sales Volume: \$38,700,000	↓ 35%
Average Sales Price: \$12,900,000	↓ 35%
Average Price / Sq.ft: \$2,148	↑ 28%
Number of Transactions: 3	0%

For Sellers

Activity remained the same for 2017, but with more residential transactions compared to 2016 as we saw a 28% increase in the average PPSF.

For Buyers

The highest priced sale was 14 East 11th Street, a 20.83' wide single-family townhouse, at \$21.75M and \$2,939/ Sq.Ft.

Looking Forward

With an average PPSF of \$2,148 and inventory remaining low, rarely available Central Village townhouses will continue to see high demand.

Average Sales

By Number of Units

1-2 units

\$2,043 PPSF

\$14.3M

3-5 units

\$2,357 PPSF

\$10.2M

6-25 units

N/A

Mixed/ Commercial

N/A

East Village

East Village Broker
Ravi Kantha

Total Sales Volume: \$87,900,000	↓ 74%
Average Sales Price: \$6,300,000	↓ 32%
Average Price / Sq.ft: \$1,066	↑ 2%
Number of Transactions: 16	↓ 57%

For Sellers

Despite a decrease in average sales price, the average PPSF increased by 2% ending 2017 at \$1,066/Sq.Ft.

For Buyers

The highest priced sale was 114-116 East 7th Street, a 50' wide residential building at \$13.835M and \$684/Sq.Ft. The highest PPSF sale was 183 Avenue B, a 17' wide multi-family townhouse at \$4.75M and \$1,630/Sq.Ft.

Looking Forward

Figures indicate a strong start to 2018 with eight properties currently available for sale with an average sale price of \$9M and PPSF of \$1,541, showing the value of purchasing a townhouse in the East Village compared to other Downtown neighborhoods.

Average Sales By Number of Units

1-2 units
\$1,515 PPSF \$4.0M

3-5 units
\$908 PPSF \$6.4M

6-25 units
\$882 PPSF \$8.3M

Mixed/
Commercial
\$1,257 PPSF \$5.6M

Park Slope

Park Slope Broker
Ravi Kantha

Total Sales Volume: \$469,700,000	↑ 5%
Average Sales Price: \$3,100,000	↑ 11%
Average Price / Sq.ft: \$1,032	↑ 7%
Number of Transactions: 155	↓ 3%

For Sellers

Park Slope market continued to remain active in the \$2-\$5M range and 2017 brought an increase in the average sales price by 11% and a 7% increase in the average PPSF.

For Buyers

The highest priced sale was 45 Montgomery Place, a 30.5' wide single-family townhouse, at \$12.6M and \$1,645 PPSF.

Looking Forward

There are 19 townhouse properties currently in contract in the \$2-\$3M range and 38 townhouses currently on the market in the \$4-\$6M range - indicating a strong start to 2018 for Park Slope.

Average Sales By Number of Units

1-2 units
\$1,099 PPSF \$3.1M

3-5 units
\$856 PPSF \$2.7M

6-25 units
\$617 PPSF \$6.6M

Mixed/
Commercial N/A

Brooklyn Heights

Brooklyn Heights Broker
Ravi Kantha

Total Sales Volume: \$211,100,000	↑	52%
Average Sales Price: \$6,800,000	↑	13%
Average Price / Sq.ft.: \$1,259	↑	2%
Number of Transactions: 31	↑	35%

For Sellers

Transaction volume and average sales price have increased in 2017 by 35% and 13% respectively. We are seeing townhouses at the high-end prices sitting on the market longer as buyers continue to pushback showing the importance of accurate pricing.

For Buyers

As sellers correct prices to market value, more opportunities will arise to purchase at fair prices.

Looking Forward

Brooklyn Heights is one of the most desirable neighborhoods in NYC. Given that the key to moving inventory in the current market is accurate pricing, we expect to see increase in sales volume throughout 2018, particularly for properties priced right.

Average Sales By Number of Units

1-2 units
\$1,713 PPSF **\$6.8M**

3-5 units
\$1,144 PPSF **\$6.3M**

6-25 units
\$791 PPSF **6.0M**

**Mixed/
Commercial**
\$740 PPSF **\$4.2M**

Central Harlem

Central Harlem Broker
Richard Pretsfelder

Total Sales Volume: \$81,400,000	↓	9%
Average Sales Price: \$2,500,000	↓	22%
Average Price / Sq.ft.: \$780	↓	1%
Number of Transactions: 32	↑	14%

For Sellers

Harlem closed out the year with 16 sales in Q4, showing that the market continues to remain strong even through a slower period in all of Manhattan.

For Buyers

The average sales price has decreased since 2016, on trend with the rest of Manhattan, although the price per square foot has remained somewhat constant.

Looking Forward

The total townhouse sales in Central Harlem has increased this year to 32 from 28 trades last year. This trend shows the Harlem market is gaining speed yet again as it continues to be a destination for developers and end-users alike.

Average Sales By Number of Units

1-2 units
\$885 PPSF **\$2.8M**

3-5 units
\$591 PPSF **\$2.3M**

6-25 units
\$888 PPSF **\$2.4M**

**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

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