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## Rising Manhattan Condo Prices Lose Momentum as Spring Season Comes to a Close

### Condo prices predicted to decline in June, according to StreetEasy Condo Price Forecast

NEW YORK, June 27, 2014 /PRNewswire/ -- Key facts:

- Manhattan condo sale prices declined 1.4 percent from April to May, but remain 10.7 percent above year-ago levels, according to the StreetEasy Condo Price Index.
- The StreetEasy Condo Price Forecast predicts condo prices will continue to fall slightly in June, declining 0.3 percent from the prior month.
- Manhattan inventory increased 2.7 percent from April, the fifth consecutive month of inventory increases. Nearly half of available condos for sale were priced above \$1.9 million.
- Pending sales, or homes that entered into contract, increased 9.6 percent in May, but declined 27.7 percent compared to this same time last year.

Manhattan condo sale prices fell in May (1.4 percent) but remain 10.7 percent higher than prices in May 2013 as measured by the StreetEasy Condo Price Index<sup>i</sup>. While prices are still above year-ago levels, annual gains have weakened for the past three months. Prices are forecast to soften more in June as inventory continues to inch up, according to StreetEasy's monthly Manhattan Condo Market Report<sup>ii</sup>.

The StreetEasy Condo Price Forecast (SECPF)<sup>iii</sup> predicts condo prices will continue easing in June, falling 0.3 percent from the prior month. The SECPF predicts the change in Manhattan condo sale prices one month out from the current reported period.

A gradual increase in condo inventory is contributing to softening Manhattan prices. Overall condo inventory in Manhattan increased 2.7 percent month-over-month, the fifth consecutive month of inventory increases. Nearly half of all condos available in May (47 percent) were priced at or above \$1.9 million while roughly 1 in 5 (22 percent) of active condo listings were priced in the bottom tier<sup>iv</sup>.

"There is no doubt that the condo market is still extremely expensive and in short supply. Some would-be buyers are still reeling from the extraordinary rally in price appreciation in 2013, which was fueled in part by record-low levels of inventory," said StreetEasy Data Scientist Alan Lightfeldt. "More units are coming back to the market, however, and prices responded in May. We still have a long road ahead of us to dig our way back to historically normal levels in inventory, but this Spring was certainly a welcome start."

The combination of greater overall inventory and softening prices helped to boost the number of pending sales in May.

Pending sales, or condos that entered into contract, jumped 9.6 percent month-over-month. The median time on market<sup>v</sup> among these condos was 49 days, unchanged from April and the shortest time period ever recorded by StreetEasy.

	May StreetEasy Condo Price Index (SECPI)*		Median Days on Market (Condos only)		For-Sale Inventory (Condos only)	
	Month-over-Month % Change	Year-over-Year % Change	Number of Days	Year-over-Year % Change	Month-over-Month % Change	Year-over-Year % Change
Manhattan	231	10.7%	49	-12.5%	2.7%	-0.5%
Downtown	241	10.6%	49	0.0%	2.1%	-2.0%
Midtown (includes Roosevelt Island)	242	13.2%	49	-30.0%	2.4%	-3.7%
Upper East Side	212	6.9%	56	-27.3%	1.3%	8.7%
Upper West Side	229	11.9%	49	0.0%	4.5%	-5.0%
Upper Manhattan	-	-	42	-53.8%	7.0%	9.4%

\*Midtown SECPI does not include Roosevelt Island

The full report, including a neighborhood breakdown of StreetEasy Manhattan Condo Market Report data and additional analysis, can be viewed at [streeteasy.com/nyc/market/reports](http://streeteasy.com/nyc/market/reports).

### **About StreetEasy:**

Launched in 2006 and acquired by Zillow, Inc. in August 2013, StreetEasy is New York City's leading real estate marketplace, providing accurate and comprehensive for-sale and for-rent listings from hundreds of real estate brokerages in New York City. The site adds layers of deep, proprietary data and useful search tools that help consumers and real estate professionals navigate the complex real estate markets within the five boroughs of New York City, Northern New Jersey and the Hamptons.

### **About Zillow:**

Zillow, Inc. (NASDAQ: Z) operates the leading real estate and home-related information marketplaces on mobile and the Web, with a complementary portfolio of brands and products that help people find vital information about homes, and connect with the best local professionals. Zillow's brands serve the full lifecycle of owning and living in a home: buying, selling, renting, financing, remodeling and more. In addition, Zillow offers a suite of tools and services to help local real estate, mortgage, rental and home improvement professionals manage and market their businesses. Welcoming nearly 82 million unique users in May 2014, the Zillow, Inc. portfolio includes Zillow.com®, [Zillow Mobile](#), [Zillow Mortgage Marketplace](#), [Zillow Rentals](#), [Zillow Digs](#)®, [Postlets](#)®, [Diverse Solutions](#)®, [Agentfolio](#)®, [Mortech](#)®, [HotPads](#)™ and [StreetEasy](#)®. The company is headquartered in Seattle.

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<sup>i</sup> The StreetEasy Condo Price Index (SECPI), previously named the StreetEasy Condo Market Index, provides a measurement for how prices are moving in the Manhattan condo real estate market. It is based on a repeat-sales method, which compares the sale prices of the same properties over time. The SECPI is indexed to the year 2000 with a value of 100. A value of 200, for example, would indicate that Manhattan condos are trading at twice their 2000 price. Since the repeat-sales methodology tracks price changes over time in the same unit, the SECPI is a much more reliable measure for sale prices as it controls for biases and errors created by variables such as location, size, age, and condition.<sup>ii</sup> The StreetEasy Manhattan Condo Market Report is a monthly overview of the Manhattan condo real estate market. The report data is aggregated from public sources by a number of data providers and real estate brokerages for all five major submarkets within Manhattan, with most metrics dating back to 1995. The reports are compiled by the StreetEasy Research team. For more information, visit [streeteasy.com/nyc/market/reports](http://streeteasy.com/nyc/market/reports). StreetEasy also tracks data for the five boroughs within New York City.

<sup>iii</sup> The StreetEasy Condo Price Forecast (SECPF) predicts the change in Manhattan condo sale prices one month out from the current reported period. Incorporating the StreetEasy Condo Price Index, StreetEasy's comprehensive database of listing prices and days on market - two leading indicators to future condo prices - we are able to accurately forecast next month's condo prices before the release of publicly recorded sales data.

<sup>iv</sup> Condo listings are placed into one of three price tiers - bottom, middle, and top - using price cut-offs derived from a 12-month weighted moving average of recorded sale prices at the 33rd and 66th percentiles. Price tier cut-offs change each month in order to capture evolving trends in condos that are available during a given month. The top tier corresponds with the most expensive condo listings.

<sup>v</sup> Median days on market measures the number of days from the original listing on StreetEasy to when it enters contract. After a buyer enters contract on a unit, it is pulled from the market and is no longer available to other buyers - creating a logical end point to "days on market."

PDF - [http://origin-qps.onstreammedia.com/origin/multivu\\_archive/ENR/StreetEasy-Manhattan-Condo-Market-Report.pdf](http://origin-qps.onstreammedia.com/origin/multivu_archive/ENR/StreetEasy-Manhattan-Condo-Market-Report.pdf)

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