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Winter Chill Continues for Manhattan Condo Market

Pending sales decline 6.3 percent from December, time on market hits a 23-month high

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Key facts:

- Just 310 Manhattan condos went into contract in January, representing a 6.3 percent decline in pending sales from December and the lowest monthly total in three years.
- Median time on market for condos increased 19 days from December to 82 days, the longest time on market since February 2013.
- Condo inventory fell 0.5 percent from December and remains 18.2 percent below Manhattan's 5-year historical average.
- Condo sales prices were essentially flat in January, increasing 0.8 percent from December, but remain 8.8 percent higher compared to this same time last year.

The Manhattan condo market continues to endure a freeze of activity during the winter months. The seasonal slowdown kept Manhattan condo inventory and sales volumes low in January, while condo sales prices remain high - nearly 9 percent higher than this time last year, according to the StreetEasy® Condo Price Indexⁱ. However, the rate of price growth has been consistently decelerating over the last year, signaling that the condo market is slowly returning to a more sustainable pace, according to the January 2015 StreetEasy Manhattan Condo Market Reportⁱⁱ.

Condo inventory in January fell 0.5 percent from December. Inventory remains 18.2 percent lower than Manhattan's 5-year historical average. However, the number of condos on the market is 3.7 percent above this same time last year, indicating an overall trend of improving inventory levels.

Pending sales in January fell 6.3 percent from December, representing 310 condos that went into contract last month. This is the lowest monthly total of pending sales recorded in three years (January 2012). A reflection of lower sales activity, condos in Manhattan spent a median of 82 days on the market in January, 19 days longer than December and the longest time on market since February 2013.

"Everything in Manhattan slows down in the dead of winter, the real estate market included," said StreetEasy data scientist, [Alan Lightfeldt](#). "Buyers seemed to be in no rush to close on properties in January, with condos lingering on the market for a full 19 days longer than December. As the spring selling season in March approaches, we expect the warmer weather to send an anticipated boost in inventory and sales volume."

Looking ahead to spring, condo sales prices are expected to grow by 4.9 percent in 2015, considerably less than the 2014 growth rate of 8.3 percent and roughly a third of the 2013 growth rate of 16.6 percent, according to the StreetEasy Condo Price Forecastⁱⁱⁱ. Slowing condo price growth is indicative of a healthier market.

The full report and additional analysis from StreetEasy Data Scientist [Alan Lightfeldt](#) can be viewed at streeteasy.com/blog/market-reports.

About StreetEasy:

StreetEasy is New York City's leading real estate marketplace on mobile and the Web, providing accurate and comprehensive for-sale and for-rent listings from hundreds of real estate brokerages throughout New York City and the major NYC metropolitan area. StreetEasy 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, as well as Northern New Jersey and the Hamptons. The company launched in 2006 and was acquired by Zillow, Inc. in August 2013.

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ⁱ The StreetEasy Condo Price Index (SECPI) 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.

ii The StreetEasy Manhattan Real Estate Market Report is a quarterly overview of the Manhattan real estate market including analysis on condos, co-ops and townhomes/single-family residences. 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 <http://streeteasy.com/blog/market-reports/>. StreetEasy also tracks data for the five boroughs within New York City.

iii The StreetEasy Condo Price Forecast (SECPF) predicts the change in Manhattan condo sale prices one month out from the current reported period. By 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.

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/winter-chill-continues-for-manhattan-condo-market-300042497.html>

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