

Corcoran Year End Review

2018 | BROOKLYN

corcoran



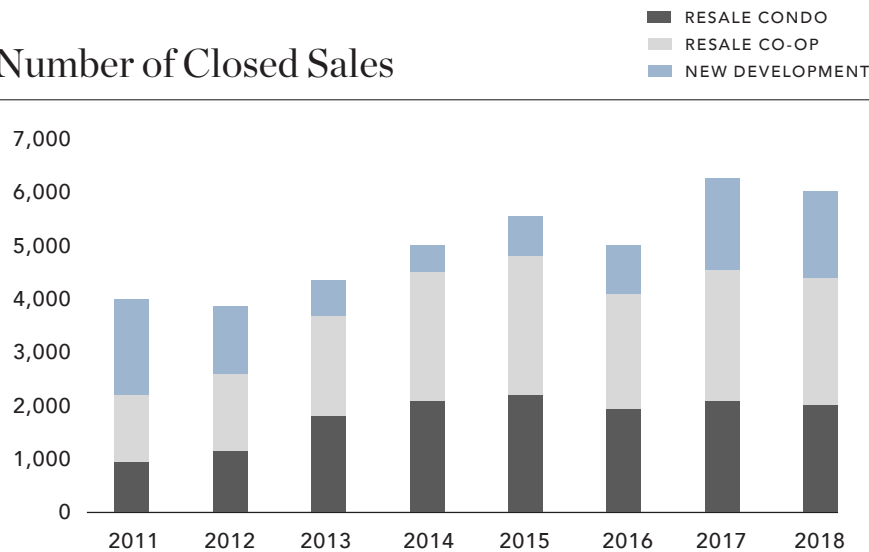
Overview

2018 in Brooklyn was a strong year on many fronts including the second highest closing figure in a decade and overall average price gains in the resale market. Sales over \$2M surged in the resale market but slipped in the new development market compared to last year. Buyers felt some hesitation to high prices in prime areas, which fueled activity further out in the borough. The number of apartment listings in Brooklyn rose by the end of 2018 but inventory levels were still constrained relative to its recent peak in 2015.

Closings

Just over 6,000 condo and co-op sales closed during 2018, 4% fewer than last year but the second highest annual total in a decade. Closings of all product types were below last year's peak; new development had the largest annual decline at 6%, while resale co-op and resale condo figures were just 3% and 4% below last years' pace, respectively.

Number of Closed Sales

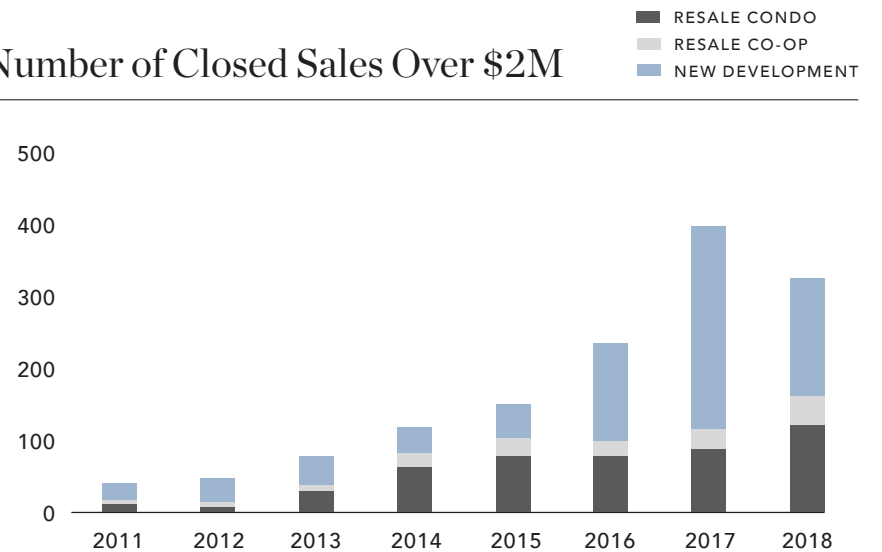


OVERALL	2018	2017	% CHG
CLOSINGS	6,004	6,241	-4%
INVENTORY	1,952	1,688	16%
MEDIAN PRICE	\$685,000	\$700,000	-2%
AVERAGE PRICE	\$850,000	\$880,000	-3%
AVERAGE PPSF	\$916	\$958	-4%

Closings Over \$2M

Total closings over \$2M declined 18% versus last year to 325, yet this was still the second highest figure on record. Both resale types had significant double-digit annual increases in sales at the high end, with resale condo closings growing 38% and resale co-op closings improving by 40%. But new development sales over \$2M took a hit, dipping 42% compared to the record of 280 closings in 2017 as fewer properties in prime locations reached occupancy.

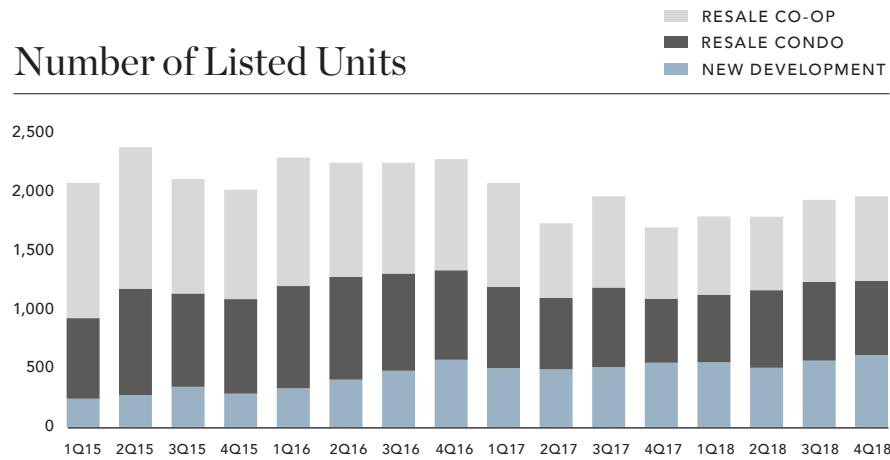
Number of Closed Sales Over \$2M



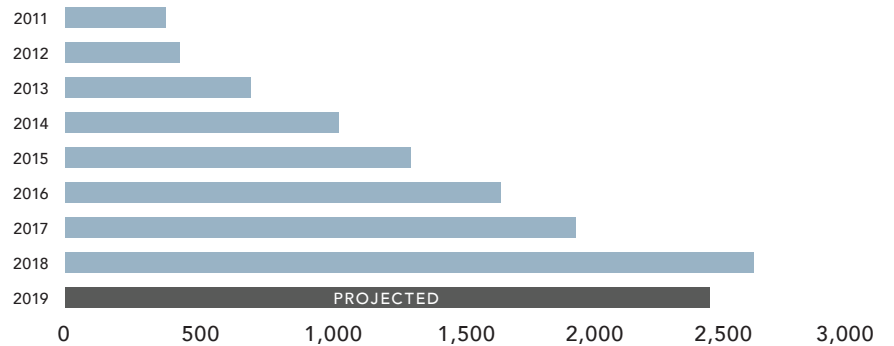
Inventory

By the end of 2018, inventory grew 16% versus 2017 following nearly two years of consistent annual inventory declines. Despite this much-needed increase, listings were still 13% below the most recent peak in Second Quarter 2015. Driving up supply figures were slower sales as well as

more new development introductions, particularly in southern parts of the borough. Over 2,500 new units came to market during 2018 and another 2,400 new units are anticipated to commence sales during 2019.



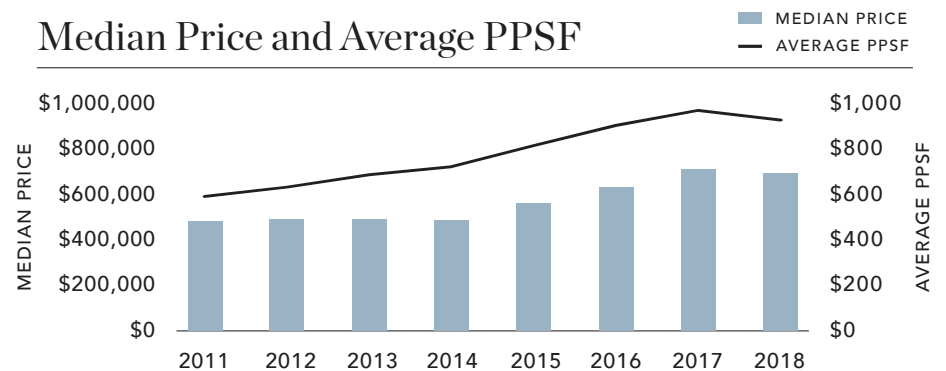
New Development Unit Launched for Sale



Prices

Echoing sales trends, 2018 price statistics dipped relative to the peak in 2017 but were still the second highest on record. Decreased sales over \$2M drove the declining price statistics, as did overall slower sales in the \$1M to \$2M price segment. At \$685,000, market wide median price was 2% lower year-over-year while average price per square foot fell 4% to \$916 per square foot.

Median Price and Average PPSF



Statistics by Type

Fewer closings occurred across product types relative to the ten-year high achieved last year. However, sales varied widely across price points within each product type, driving price statistics in different directions. Resale co-op prices were all higher year-over-year due to a substantial

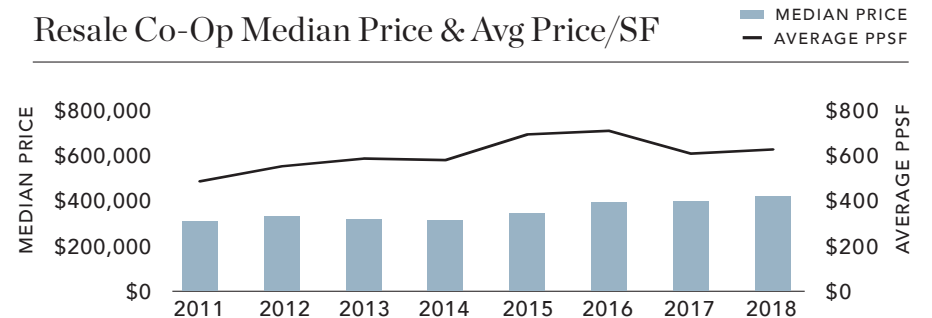
increase in sales over \$2M. The increase in sales at the high end of the resale condo market helped sustain prices relative to last year. New development price statistics were all lower due to increased market share of sales in South Brooklyn.

RESALE CO-OP	2018	2017	% CHG
CLOSINGS	2,364	2,438	-3%
INVENTORY	718	603	19%
MEDIAN PRICE	\$425,000	\$404,000	5%
AVERAGE PRICE	\$557,000	\$527,000	6%
AVERAGE PPSF	\$636	\$617	3%
SALES UNDER \$1M	2,121	2,205	-4%
SALES \$1M TO \$2M	203	205	-1%
SALES OVER \$2M	40	28	42%

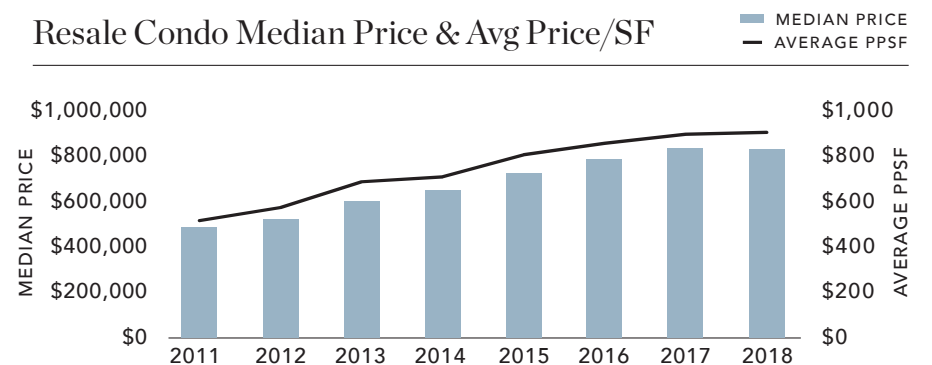
RESALE CONDO	2018	2017	% CHG
CLOSINGS	2,014	2,088	-4%
INVENTORY	626	543	15%
MEDIAN PRICE	\$825,000	\$830,000	-1%
AVERAGE PRICE	\$968,000	\$955,000	1%
AVERAGE PPSF	\$899	\$891	1%
SALES UNDER \$1M	1,355	1,395	-3%
SALES \$1M TO \$2M	538	605	-11%
SALES OVER \$2M	121	88	38%

NEW DEVELOPMENT	2018	2017	% CHG
CLOSINGS	1,620	1,715	-6%
INVENTORY	608	542	12%
MEDIAN PRICE	\$850,000	\$943,000	-10%
AVERAGE PRICE	\$1,130,000	\$1,288,000	-12%
AVERAGE PPSF	\$1,087	\$1,187	-8%
SALES UNDER \$1M	1,040	978	6%
SALES \$1M TO \$2M	416	456	-9%
SALES OVER \$2M	164	281	-41%

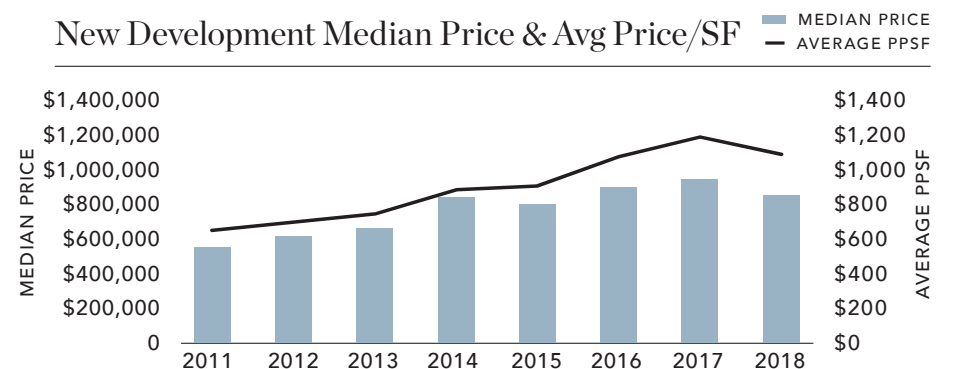
Resale Co-Op Median Price & Avg Price/SF



Resale Condo Median Price & Avg Price/SF



New Development Median Price & Avg Price/SF



Statistics by Neighborhood

Sales substantially increased year-over-year in South Brooklyn and neighborhoods just south and east of Prospect Park, driving price statistics lower in the overall market. Buyers pulled back in the historically pricier northwestern neighborhoods compared to last year. Kensington, Windsor Terrace, Ditmas Park, Flatubush, & Prospect Park

South had double-digit gains in both median price and average price per square foot, yet the area remained a value versus the borough's prices overall. In all areas except for Williamsburg & Greenpoint and South Brooklyn, inventory rose by double-digits versus the low number of listings a year ago.

WILLIAMSBURG & GREENPOINT

	2018	2017	%CHG
CLOSINGS	617	832	-26%
INVENTORY	245	293	-16%
MEDIAN PRICE	\$999,000	\$980,000	2%
AVG PPSF	\$1,199	\$1,180	2%

BROOKLYN HEIGHTS, COBBLE HILL, DUMBO, & DOWNTOWN

	2018	2017	%CHG
CLOSINGS	663	834	-21%
INVENTORY	276	148	86%
MEDIAN PRICE	\$955,000	\$1,224,313	-22%
AVG PPSF	\$1,304	\$1,348	-3%

PARK SLOPE & GOWANUS

	2018	2017	%CHG
CLOSINGS	461	458	1%
INVENTORY	131	108	21%
MEDIAN PRICE	\$1,100,000	\$999,000	10%
AVG PPSF	\$1,133	\$1,152	-2%

FORT GREENE, CLINTON HILL, & PROSPECT HEIGHTS

	2018	2017	%CHG
CLOSINGS	570	814	-30%
INVENTORY	171	117	46%
MEDIAN PRICE	\$925,000	\$855,000	8%
AVG PPSF	\$1,047	\$1,001	5%

CARROLL GARDENS, BOERUM HILL, & RED HOOK

	2018	2017	%CHG
CLOSINGS	445	414	7%
INVENTORY	61	51	20%
MEDIAN PRICE	\$1,176,600	\$1,171,500	0%
AVG PPSF	\$1,225	\$1,170	5%

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

	2018	2017	%CHG
CLOSINGS	480	407	18%
INVENTORY	241	124	94%
MEDIAN PRICE	\$675,000	\$675,000	0%
AVG PPSF	\$750	\$733	2%

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

	2018	2017	%CHG
CLOSINGS	420	319	32%
INVENTORY	165	135	22%
MEDIAN PRICE	\$603,822	\$500,000	21%
AVG PPSF	\$725	\$640	13%

SOUTH BROOKLYN

	2018	2017	%CHG
CLOSINGS	2,348	2,163	9%
INVENTORY	662	712	-7%
MEDIAN PRICE	\$410,000	\$370,000	11%
AVG PPSF	\$548	\$514	7%

THE FOLLOWING MEMBERS OF THE THE CORCORAN GROUP MADE SIGNIFICANT CONTRIBUTIONS TO THIS REPORT:

Jordan Glaubinger | Kristy Hoffman | Ryan Schleis | Brie Train