

REAL ESTATE

Manhattan luxury real estate sales decline as listings rise: Douglas Elliman

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More real estate inventory is available in Manhattan. Image credit: Douglas Elliman

By SARAH RAMIREZ

The real estate market in New York's Manhattan borough experienced its third consecutive decline for year-over-year sales in the second quarter, though the decrease was less steep than in the first quarter of 2018.

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According to Douglas Elliman Real Estate's Manhattan Sales Q2 2018 report, Manhattan saw the most second quarter inventory in seven years. However, it also saw the lowest second-quarter sales in almost a decade.

"The most surprising thing was that even though the market showed some weakness, it wasn't as bad as I thought it might be," said Steven James, CEO of New York City at [Douglas Elliman](#).

"This says a lot about the resilience of the Manhattan market," he said. "Never count it out."

Down but not out

As listing inventory expanded, luxury price trends were mixed.

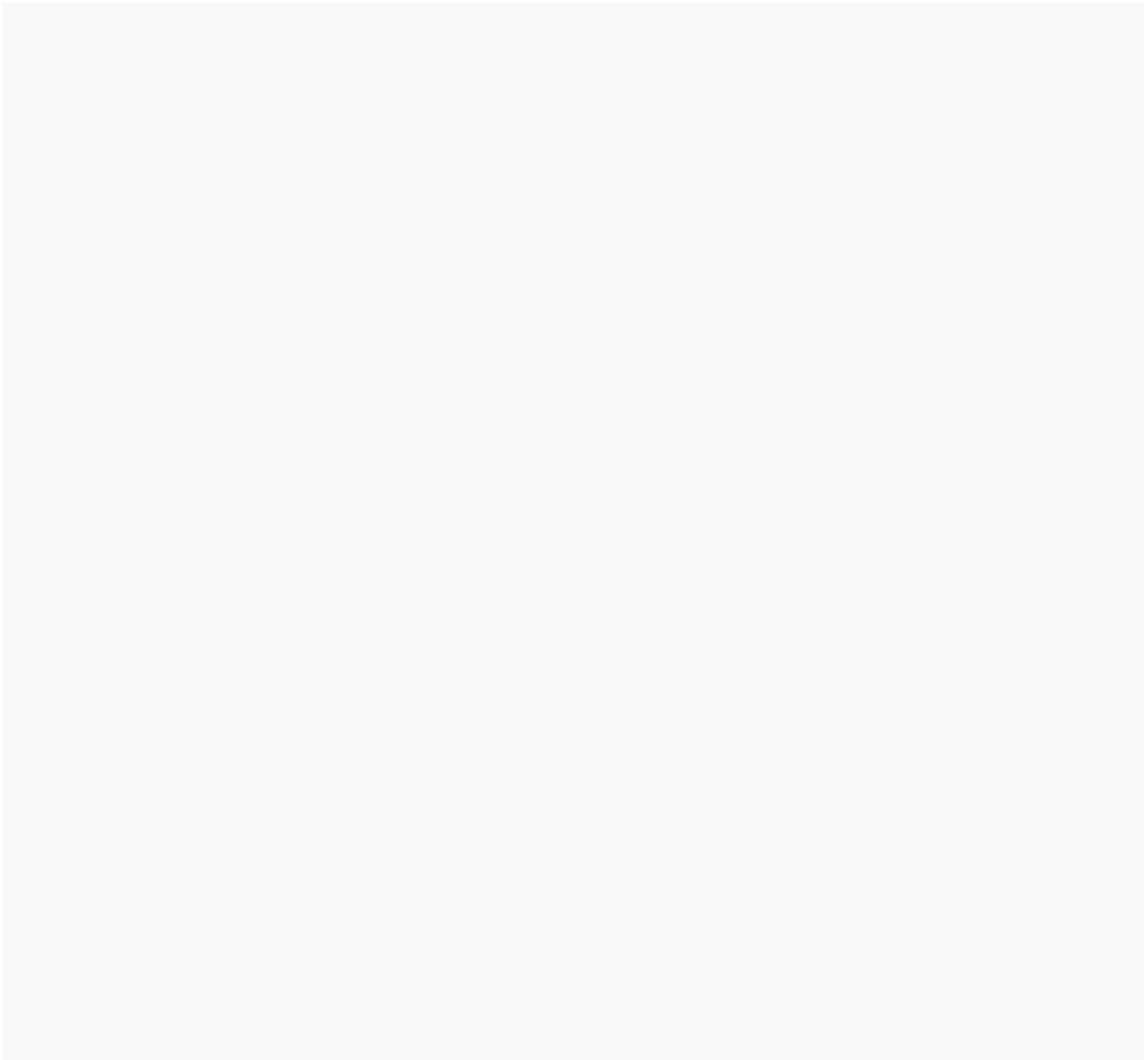
Listing inventory rose to 6,985, up nearly 11 percent from the same time last year. However, the number of sales has declined by 16.6 percent to 2,629.



A Manhattan townhouse listed by Douglas Elliman. Image credit: Douglas Elliman

With more real estate inventory becoming available, both the median sales price and average sales price are down from the second quarter of 2017. The median sales price is now \$1.1 million, while the average sales price is \$2.1 million.

Despite those downward trends, homes spent less time on the market than they did in spring 2017, a positive indicator. On average this past quarter, listings spent 103 days on market.



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A post shared by Douglas Elliman Real Estate (@douglaselliman) on Jun 28, 2018 at 8:58am PDT

An Instagram post from Douglas Elliman

Resale median sales prices increased year-over-year for the fifth quarter in a row. For the eighth straight quarter, the median sales price for a co-op did not show an annual decline.

While the average sales price decreased more for co-ops and condos than townhouses, respectively falling 9 percent and 4 percent, townhouses saw a much steeper drop for price per square foot. The average price per square foot fell almost 30 percent to \$661 for townhouses, as opposed to a decrease of 6 percent to \$841 for co-ops and condos.

Marketing time

Greater supply means that real estate agents need to get creative as marketing time expands.

Real estate brokerage service Re/Max believes that online listings can now be used for much more than just giving information. Since so much of that information is already easily available and customers are familiar with it, online listings can be used to attract attention to homes with flashy photography or engaging copy ([see story](#)).

Halfway through the year, 2018 has so far been a slower year for Manhattan real estate, with 2017 seeing much higher sales overall. Mid-2017 was the peak for the past 12 months, with the overall market hitting \$3 billion total. In May, the market was just above \$2 billion after dipping below in the last few months ([see story](#)).

As the third quarter begins, it is more than likely that Manhattan's real estate will continue to stall.

"I expect that the third quarter of 2018 will be about the same as the second quarter, as the July and August markets are typically slow months," Douglas Elliman's Mr. James said.

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