

**MANHATTAN RESIDENTIAL REAL ESTATE IS STILL "THE LAND OF OPPORTUNITY"**

Returning to New York from our successful October China Sales Tour we were met with welcoming news – 3Q Manhattan Residential Market Data: New York City's home sales market showed positive signs in the third quarter with both home prices and sales volume continuing to increase at steady pace. **Sales volume is up 7%** in Manhattan year-over-year, to its highest levels since 2008. The number of condos and co-ops on the market in the third quarter **decreased by 24.3%** to its lowest level in **7 years**. "Inventory is tight, and if nothing changes, we are at a point where we may start to see price appreciation," said Jonathan Miller, CEO of appraisal firm Miller Samuel. "Sales are happening across all price points in Manhattan. Additionally, the average sales time for a condo or co-op contracted to just 5.9 months, its shortest period in five years, down from seven months during the third quarter a year ago." The report also attributes the improvement in the market to the Fed's announcement of **quantitative easing**, aimed at keeping mortgage rates low through the purchase of Freddie Mac and Fannie Mae mortgage-backed securities.

Rising rents are also expected to boost prices. The market for residential rentals in Manhattan is robust. The average number of days a Manhattan rental apartment spends on the market year-to-date is the lowest in 20 years. Tight lending standards in combination with an improving economy led median **rental prices to surge 10% year-over-year**.

Despite limited inventory, prices are not expected to skyrocket as they did in the boom. Prices are still far below the height of the market, **about 12% off from the peak** median sales price. Buyers, even the most eager, will not overpay. This is one lesson that everyone seems to have learned from the recession. The exception on price appreciation would be the über trophy properties. At the top of the Luxury Market, a total of 26 sales over \$10 million were recorded this quarter. The highest was the \$42 million purchase of 973 Fifth Avenue — a townhouse that was originally listed for \$49 million.

The summer registered an acceleration in the market for \$2 million and under properties. These buyers, more than any others, are influenced by low interest rates. The resulting cheap money and low monthly payments, not to mention the tax benefits, make buying more attractive than renting.

We have been reporting here for some time that foreign money is fueling the sales of high and mid-priced condominiums all over Manhattan. Exciting new developments are coming to market on the Upper East Side, that should feed much of the global appetite. Extell's 680 Madison Avenue, Harry Macklowe's 432 and 737 Park Avenue, 135 and 200 East 79th Street and 150 East 72nd – these are the headliners for this uniquely large crop of new condos now available to buyers.

But the **profound shortage of inventory** which has developed in the co-op market defies expectations. Throughout the city, resident New Yorkers are frustrated by the lack of purchase options. September did not bring on the hoped for new resale inventory, not even with the increased capital gains tax burden for sellers looming on the 2013 horizon.

Sales activity here at The Field Team has been record breaking. Our sellers have seen their properties receive acceptable offers after numerous months on the market, our buyers are learning the market, some are losing properties when their offers are below value, but many are rewarded with the home of their dreams when they understand correct pricing and bid accordingly.

Quite a bit of buzz and press this quarter for The Field Team efforts. See our interviews in **New York Magazine**, Oct 15th; **New York Times**, Sept 6th and a front page **New York Times** article on Sept. 18th; **China Daily**, October 9th; **New Tang Dynasty TV** Interview and **The Real Deal**, Oct 9th. This quarter we also hosted investment seminars for guests of the prestigious China Index Association as well as continuing our Chinese studies at The Confucius Institute for Business.

**FIELD TEAM RECENT SIGNIFICANT SALES:**

**985 Park Avenue, Penthouse Triplex:** Asking Price: \$10,000,000: A buyer was introduced before the property was listed. In Contract  
**1049 Fifth Avenue, 18B:** Asking Price: \$10,500,000: 1 week on the market, Multiple offers. In Contract  
**510 Park Avenue, 14B:** Asking Price: \$4,600,000: After 9 months on the market, Multiple offers arrived and now In Contract  
**545 West 110th Street, 4D:** Asking Price: \$1,312,000: 3 days on the market, Multiple Offers and In Contract.  
**860 United Nations Plaza, 18E:** Asking Price: \$1,900,000. 1 year on the market and now In Contract.

**COMING SOON TO THE MARKET:**

**One Fifth Avenue, Penthouse Duplex:** The most sought after of all Village Coops. Dramatically architecturally designed: \$15,000,000  
**12 West 72nd Street:** 7 room modern renovation: available for lease: \$19,000 monthly

**FEATURED PROPERTIES:**

**210 East 5th Street, Beethoven Hall:** Legendary Photographer's Residence & Studio: \$25,000,000  
**20 East 65th Street, Mansion Condominium:** 6000 sq. ft., 25ft wide, with Doorman: \$15,000,000  
**111 Central Park North, 3A:** Full Park views, 4 Bedroom Condo w/Terrace; \$5,000,000  
**10 East 81st, Parlor 2:** Stunning Townhouse Triplex: \$1,750,000

**NIKKI FIELD**  
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